No. 34,137

LONDON, SATURDAY-SUNDAY, NOVEMBER 28-29, 1992

Published With The New York Times and The Washington Post

ESTABLISHED 1887

'Ethnic Cleansing' in Bosnia: A Savage Tale of Murder and Rape



Borislav Herak, 21, a Serb who is charged with 29 "ethnic cleansing" killings in Bosnia

New York Times Service
SARAJEVO, Bosnia-Herzegovina - What Borislav Herak remembers most vividly about the sunny morning in late June when he and two companions gunned down 10 members of a Muslim family is the small girl, about 10, who tried to hide behind her grandmother as the three Serbian nationalist soldiers opened fire from about 10

paces.
"We told them not to be afraid, we wouldn't do anything to them, they should just stand in front of the wall," said Mr. Herak, 21. "But it was taken for granted among us that they should be killed. So when somebody said, 'Shoot,' I swung around and pulled the trigger, three times, on automatic fire. I

remember the little girl with the red dress hiding behind her granny."

As he tells his rambling story now, in a room at the Victor Bubanj military prison here, Mr. Herak stands up from his metal chair, shuffles into the open part of the room in his green field acket and laceless black army boots, and demonstrates how he fired from the hip with his Kalashnikov rifle,

With his companions, he emptied a 30-bullet magazine at a family he had found cowering minutes before in the basement of a home at Ahatovci, a Muslim village five miles northwest of

The particulars given by the young Serh to investigators, and repeated dur-ing seven hours of interviews with this reporter, amounted to a six-month chronicle of the savagery that has char-

Two weeks ago, Mr. Herak and a

Serbian married couple, also under ar-rest for war crimes, took the wrong road while driving from the suburban town of Vogosca to Ilidza, in the Serbi-an-held outskirts of Sarajevo. At a roadblock, they were stopped by a unit of the Bosnian Army defending Saraje-

Almost immediately after his arrest there, Mr. Herak began telling investi-gators of his gruesome experiences as a Serbian fighter, including one incident in which be used a six-inch hunting

'We were told that it was a strategic place, and that all the Muslims there must be killed."

Borislav Herak, 21, Bosnian Serb

knife to cut the throats of three captured Muslim men who were Bosnian

Until he fled Sarajevo in May and joined the "Serbian volunteers," auxiliaries to the regular military forces besieging Sarajevo, he was a primary school graduate whose job was pushing a handcart at a Sarajevo textile compa-

Now, under Article 41 of the old Yugoslav criminal code, he faces death firing squad for offenses that include genocide, mass murder, rape and looting. His trial, which is expected to begin next month, could make him the first person to be executed legally for crimes committed in Europe's most brutal conflict since 1945.

The indictment lists 29 individual murders between June and October, including eight rape-murders of Mus-lim women held prisoner in an abandoned motel and café outside Vogosca, 7 miles (11 kilometers) north of Sarajevo, where, Mr. Herak said, he and other Serbian fighters were encouraged to rape women and then take them away to kill them on hilltops and other deserted places.

The indictment also covers the kill-ings of at least 220 other Muslim civilians, which he has confessed having witnessed or taken part in.

Although Mr. Herak's experiences were limited to a 10-mile stretch of territory just north of Sarajevo, his account offered new insights into the ways that tens of thousands of civilians have died, most of them in towns and villages where there have been no independent witnesses

In addition to the Ahatovci incident -in which four children under 12, two elderly women and four men were killed — Mr. Herak described two mass murders of Muslims by Serbian forces in the Sarajevo area.

In the first, in early June, he said he had watched a Serbian unit called the "special investigation group" machine gunning 120 men. women and children in a field outside Vogosca.

In another incident with multiple victims that occurred in July, Mr. Herak said he had seen 30 men from Donja Bioca, a Muslim village three

See SERB, Page 4

New Money Dispute Splits Europe as Ministers Fail to Settle Budget

By Tom Redburn
International Herold Tribune

PARIS - As if the European Community's divisions over Maastricht, the farm deal with the United States and German monetary policy were not wrenching enough, a high-level meeting of the 12 EC governments broke up Friday after failing to end a stalemate over how to

allocate funds between rich and poor members. Only two weeks before the Community's summit conference in Edinburgh, none of the arguments on these and other important issues has been settled. As a result the Dec. 11 and 12 meeting, which was once expected to triumphantly usher in the era of the single market that dawns on Jan. 1, now threatens to end in

In Brussels, foreign and finance ministers again split into warring camps. Spain, Portugal, Greece and Ireland all rejected Britain's latest

Germany's hard-line rate stance is likely to aggravate strains on the EMS. Page 15.

proposal - backed by Germany and the Netherlands — to limit increases in EC spending, "The positions are quite different," said Car-los Solchaga, Spain's finance minister, "I don't see any reason to say our positions have come

After the meeting, ministers said the last chance this year for resolving the money dis-pute was to hope that top leaders at Edinburgh could somehow wrap it up within a broader political package.

Although the allocation of funds is a traditional EC battleground, the hudget fight has taken on added tension this year because of all the other splits that have stretched the Community's unity almost to the breaking point.

The farm subsidy issue is the greatest poten-tial threat to European comity. France, actively campaigning for allies to help it block the EC Commission's farm-subsidy pact with the United States, has received some encouragement

from Belgium and Spain. The deal would be rejected if those three nations joined together. Prime Minister Giuliano Amato had agreed to rejected if those three nations joined together. That could precipitate a global trade crisis by isolating the Community within the 108-nation General Agreement on Tariffs and Trade, and plunging Europe back into a trade war with the

On Friday, the Italian government stopped short of backing France but echoed some of Paris's complaints, saying the Community's Common Agriculture Policy should be changed again to protect its farmers from a loss of income. It also insisted that Italy's milk and sugar quotas be raised.

In Rome, the cabinet said in a statement that

lohby Italy's partners to press for "ways of reducing the negative consequences" of the EC-U.S. farm deal.

The farm conflict, however, is not expected to come to a head soon, primarily because all sides have an interest in delaying a confrontation. The Community does not have to vote on the farm settlement until after it is included in an overall global trade agreement. By the time all the work is completed, France is expected to have replaced its current Socialist Party leadership with a new government of the right.

But Paris may use the hudget dispute to help

See EC, Page 17



FIRE AT HOFBURG - Vienna fire fighters hosing down the roof of the Hofburg, which was severely damaged Friday by a blaze. Page 5.

a small extremist group, probibited the country's largest far-night party from holding a convention this weekend, and announced the ar-The first ban on a neo-Nazi group hit the National Front, an anti-Semitic, anti-foreigner Westrests of eight reputed members of a gang organized to attack foreign-The moves - seen as the beginning of a comprehensive crackdown on the country's burgeoning extreme right — came as more than

Neo-Nazi Group Banned

In German Crackdown

As Turks Mourn Dead

10,000 Turks gathered outside a small mosque here to bid farewell to three victims of neo-Nazi violence, including a 10-year-old girl who will be buried in a homeland she never visited.

By Marc Fisher

Washington Post Service
HAMBURG — Under intense

pressure at home and abroad to

slam the brakes on neo-Nazi vio-

lence, Germany on Friday banned

Grieving men fainted, women wailed and prayers of mourning echoed off surrounding buildings in the Hamburg suburb where thousands of Turks paid tribute to countrymen killed in a neo-Nazi firebombing Monday in the West-ern German town of Mölin.

The shock of the Mölin killings
— the first major neo-Nazi attack on foreigners who were longtime residents of Germany rather than recent refugees - has shaken the country and prompted a sudden widening of the federal role in clamping down on the extremists.

By Fred Hiatt

Washington Post Service
MOSCOW — In the heyday of
Soviet superpowerdom, officials
prepared for inevitable American
attack by carving an almost endless

warren of underground chambers

and secret subway lines beneath

this and other major cities.

Today, as authority crumbles

and everything is put up for sale, these shrines to the Cold War are

also finding their place on the mar-

ket - as underground karnte stu-

dios, bars for bodybuilders, and

Japanese car dealerships.

An employee of a weight lifting

club in Moscow, Sergei Kopnin,

said the bomh shelter is especially

suitable for his club because of its

Federal prosecutors have taken over responsibility from local au-thorities, elite federal police troops are raiding far-right party offices, and Chancellor Helmut Kohl's government seems determined to make a public show of arresting those responsible for the more than 1.800 attacks on foreigners this

ern German party that has only 130 members, but is believed to have organized military exercises and attacks on foreigners. Interior Minister Rudolf Seiters called the party "an active fighting organization aimed at disposing of our democratic order.

The German Constitution allows authorities to ban political groups intent on overturning democracy. The country's internal intelligence agency has been investigating 10 neo-Nazi groups. Two groups considerably larger than the National Front - the German Alternative and the Free German Workers' Party - are expected to face bans in the coming days, sources said.

"Bans are no panacea," a former chief justice of Germany's high court, Ernst Benda, told the Bild newspaper. "There are many vio-

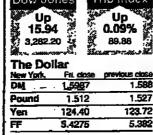
See GERMANY, Page 4

Kiosk

Army Thwarts Caracas Coup

Venezuelan rebel soldiers bombed the presidential palace in Caracas on Friday in an attempted coup, but the gov-ernment said loyal army troops put down the revolt. As many as 50 people were killed in and around the Venezuelan capital.

Article, Page 2



What's in Passport Files?

Aide Says Nothing Was Sinister, Despite Scandal

By Paul F. Horvitz

WASHINGTON — They are stacked high in tens of thousands of file boxes at a warehouse called "purgatory" that holds enough federal records to cover 20 soccer fields. They are on microfilm and in computers. And they go back nearly a century.

But the U.S. passport files maintained by

the government are, with a few exceptions, confidential under the law, agency procedure and Supreme Court mandate, according to lawyers and U.S. officials.

That is why the late-night pre-election search through Bill Clinton's passport file by

State Department employees caused such deep embarrassment at the agency, the White House and the National Archives. An internal State Department review concluded that the search took place in violation

of agency regulations and, "more disturb-ing," for political purposes.

Press accounts of the search and of the internal review may have left the public, especially the 33 million active passport hold-

ers, with a distorted view of how and why U.S. passport records are kept, according to State Department officials and outside ex-

"We would hope to dispel the misconcep-tion that we keep track of what Americans are doing overseas," said a department spokesman, who asked that his name not be used. Any "sinister aura" that may have been created by the scandal is mistaken, he added.

The agency's estimated 100 million pass-port files generally contain little information beyond a confidential passport application and documents needed to prove citizenship, such as a birth certificate. The application contains basic physical characteristics, a pho-tograph, phone numbers, a listing of occupation, information on parents and spouses, and an optional space for the name of someone to notify in case of emergency. Tax law also requires a Social Security number. The applications are kept for 100 years.

imental reason is so the governmen See FILES, Page 3

Europe Wary Of U.S. Plan To Put Troops In Somalia

British Term Proposal 'Too Vague,' French Demand More Details

By William E. Schmidt New York Times Service

LONDON — Although acknowledging deep frustration over efforts to distribute aid to starving Somalis, European governments and international relief agencies reacted cautiously Friday to reports that the Bush administration wants to volunteer U.S. troops to safeguard

famine relief in Somalia Officials in Paris and London said they had not yet been formally consulted by Washington about the proposal, nor had they been asked to draw up contingency plans of their own to contribute troops to a larger multinational

In a proposal now under study by the United

A major Somali warlord unexpectedly wel-comes the American initiative. Page 5.

Nations, President George Bush abandoned previous U.S. reluctance to become involved militarily in Somalia, and earlier this week offered more than 20,000 U.S. ground troops to lead a multinational peacekeeping force inside the country. Warring factions and armed groups there have disrupted relief operations. shooting at ships and supply convoys and loot-

ing supplies.

Any deployment of U.S. troops depends on a formal decision by the United Nations to send

a multinational force.

The United Nations secretary-general. Butros Butros Ghali, convened a high-level task, force on Somalia on Friday to prepare options for the Security Council on ways of ensuring that relief aid reaches up to 2 million people facing starvation, a UN spokesman said, Reu-ters reported from New York.

This follows a letter from Mr. Butros Ghali to the council earlier this week saying attacks. looting and harassment by Somali warlords meant that "the humanitarian assistance which reaches its intended beneficiaries is often barely more than a trickle.

[He was preparing detailed options that the council requested for remedying the situation in the country, the UN spokesman said.)

In London, a spokeswoman for Prime Minister John Major described the U.S. proposal as "too vague" to comment on, and said the government would be seeking clarification from

But the British minister for overseas develo ment, Baroness Chalker, said any decision to deploy large numbers of allied troops in Soma-lia first required careful political groundwork inside the country. She said the question of military intervention would be under intense discussion in the coming days, both among the allies and within the United Nations.

"What the Americans may in the end offer is still not clear to anybody," she said in a broad-cast interview. "As you know, there is clear risk that aid agencies might be targeted by Somali factions if there were to be a decision regarding troop deployment without local agreement."

In Paris, a spokesman for the French Ministry of Foreign Affairs said France was seeking

more information about the U.S. plan, but See SOMALIA, Page 5

Tokyo, in Shift, Will Stockpile Its Plutonium

By David E. Sanger New York Times Service

TOKYO — The Japanese government, conceding that technical problems are compounding the political headaches triggered by its sea ipment of more than a ton of plutonium from Europe, said Friday that despite its pledges not to stockpile the deadly material it would be forced to store the plotonium for at least three

For the past year, the government has told critics of its multibillion-dollar hreeder-reactor program that it would only keep as much plutonium on hand as it could burn.

Because the plutonium can be used to fabricate crude nuclear weapons, opposition groups have asserted that a stockpile of plutonium would pose a temptation to terrorists, as well as

But Japan's Science and Technology Agency said Friday that troubles in the fabrication of the plutonium into fuel would once again delay the start-up of a prototype breeder reactor on the Japan Sea coast.

The reactor has been the focal point of the country's aggressive program to reduce its de-pendency foreign supplies of nuclear fuel. It will not begin operations until the fall of 1993, a

year later than originally planned. The effect of the announcement, officials said in response to questions, is that the ton of plutonium now being shipped across the Atlan-tie and the Pacific will not be used until at least 1995, when the first load of fuel in the \$4.5

billion reactor is to be replaced. Part of the time will be occupied fahricating the phytonium into pellets that can be used to

fuel the reactor. The fuel that will power the reactor for the next decade or more is made from Japanese tiuclear waste. But because Japan does not yet have facilities to reprocess waste into usable ium, it contracted with France and Britain to do the work.

Critics of the plan have said that there is no way Japan will he able to consume the more than 80 tons of plutonium that it plans to create over the next 20 years.

The result, they have said, would be a surplus See JAPAN, Page 2

have to make a profit."

state-of-the-art ventilation.

"It's true, we're renting them out." General Gennadi Filatov, chief of staff for civil defense, acknowledged with some sadness. "Our program is very expensive, and we can no longer afford it. We

A Real Underground Economy While professing full support for the notion that the United States is no longer an enemy, General Fila-tov and his colleagues still part only reductantly with statistics and other former state secrets. The general acknowledged, however, that there

> Perhaps half of Russia's bomb shelters are rented out to new businesses.

are "tens of thousands" of bomb shelters across the country, and he said 40 percent to 60 percent of them are rented out as warehouses.

sports halls, garages and other "commercial structures." "We are reorienting ourselves for the needs of today," said Colonel Vyacheslav Mayorsky, a civil deense official in Moscow's north-

west region, as he shepherded a visitor to a bomb shelter beneath an apartment complex of the insti-tute that developed Russia's atomic bomb. Not long ago, a small pri-vate firm set up a workshop here to make furnimre and safes. An ice-covered slope led under-ground and past a series of thick

cians fiddled with office safes in the low-ceilinged, windowless but brightly lighted cellar. When company director Igor Sa-fronov was asked how he liked working underground, Colonel Mayorsky quickly interjected: "Ex-cellent! Excellent lighting! Excel-

metal doors, each with a complex

set of locks. But inside, carpenters planed and sawed while techni-

lent ventilation!" But Mr. Safronov, 36, replied with the confidence of a self-made man and without the obsequiousness to officialdom that characterized Soviet life a few years ago. If in

See BUNKERS, Page 4.

Hungry and Cold, Kurds Await Bitterest Enemy-Winter

By Chris Hedges New York Times Service

D'HOK, Iraq - Soft, wet snow has begun to fall over northern lraq, laying a mantle over the desolate steppe and signaling the start of what may well be one of the most difficult periods for the Iraqi Kurds since they were freed from the grip of Saddam Hussein's government 18 months

ago.

The Kurds, crippled by a 15-month hlockade by Baghdad that has left them bereft of kerosene for heating, food and basic supplies, will depend on the \$200 million in relief assistance, including \$43 million from the U.S. Agency for Interna-tional Development and \$20 million from the European Community, that is just beginning to be trucked inm the north.

The United Nations hopes to deliver at least 9 million gallons of kerosene hy the

Beirut Gets

Tough on

Merchants

By Ihsan A. Hijazi

New York Times Service
BEIRUT — Lebanese involved

in husiness were shaken this past

week after government inspectors

backed by police escorts raided and closed a number of exclusive stores

in the capital, accusing them of

defrauding the public.
Videotapes of the raids shown on

TV depicted stunned shopkeepers

with their jaws dropping and their

eyes bulging as they were repri-manded by policemen for failing to

show proper invoices for merchan-

The raids were among numerous

measures employed recently by the

authorities in inject discipline in a

country used to the anarchy of 15

In another part of the campaign,

traffic violators were given a 24-

hour warning by the traffic depart-

ment, after which mw trucks re-moved double-parked cars. Traffic

violation fees are doubled if not

"The next mission is to clear side walks from car veodors," a senior

traffic official promised, Pedestri-

ans can no longer use pavements because squatters selling used cars

imported from Germany and the United States have taken them

People stealing electricity hy

stretching wires from their houses to power cables on the streets also

have been fined. "The next time they do this they will have no elec-tricity at all," warned John Lyon, the new director of the state power grid. He sent teams of collectors to

thousands of homes to collect un-

Finance Minister Found Siniora

said: "We are determined to collect

all that is due to the treasury. Not

one cent will be allowed to go un-

Throughout the civil war, very

few Lehanese paid income tax.

Japan Gets Voice of America

Agence France-Presse

service of the U.S. government, wil

announced Friday.

TOKYO - The Voice of Ameri-

dise and for overpricing,

years of civil war.

paid in 10 days.

paid power hills.

end of December and 13,000 tons of food. frequent flights by warplanes based in Tur-But its officials in northern Iraq fear that key. the program, hastily planned and beginoing only now, may not be ecough to avert

"We are way behind," a UN official said, "and we have grossly underestimated what the Kurds will need. Even if we had enough to hand out, which we do not, I do not think we could get it distributed in

The 4 million Kurds live in a security zone set up by the allied forces after an abortive rebellion just after the Gulf War. The zone, which runs roughly along Iraq's 36th parallel, was created to persuade 1.5 monitored by a small team of military observers in the border town of Zakho and

The withdrawal of Iraqi forces from the north and Baghdad's decision to impose a strict embargo, refusing even to pay pensions or forward letters, speeded the Kurds' decision to form their own government this summer.

But the de facto Kurdish state, with meager revenues and few resources, has presided over a steady deterioration in livg standards.

Roads and bridges are crumbling into disuse. There are frequent power outages. Gasoline can be bought only on the black market. And with a host of materials from window panes to spare parts for machines million Kurdish refugees in Turkey and now unavailable, printing shops, mills, Iran that it was safe to return home. It is bakeries and garages have all had to shut, swelling the ranks of the unemployed. Prices for basic items like kerosene have

before the Iraqi blockade.

UN and international agencies should, in eat." addition to relief, help us with some long-

term development projects."
At least 8,000 families live in tents; tens of thousands will huddle in gutted huild-ings with only thin plastic sheeting covering the empty window frames.

The Kurds have chopped down most families even digging out the roots, to stockpile fuel for the winter.

risen more than 100 times what they were upward and the volume in the markets

PARIS (AP) — France, Britain and the United States issued a warning to Libya on Friday for failing to comply with UN Security Council demands, and they vowed to make punitive sanctions against Tripoli "We are grateful for what the United
Nations is doing," said Massoud Barzani, ning to see increasing numbers of children the head of the Kurdistan Democratic Parwho have some degree of malantrition," ty, one of the two main Kurdish factions, said Dr. Ghayat al-Din Obeid Ala, the hut what they are providing is little and general director of health for D'hok Provwill not solve the problems we face. The ince. "Every day there is less and less to Foreign Ministry, came a year to the day after the three nations demand-ed clarification on a Libyan role in the December 1988 bombing of a Pan-Am flight over Lockerbic, Scotland, that killed 270 people and the September 1989 bombing of a UTA airliner over Niger that killed 170

Fatima Ibrahim stood outside the oneroom hovel where she lives with her husband and five children. For several weeks her family has survived on a cold porridge of chick peas and tomatoes while her husband scrounges for odd jobs-

Inside the room, two of Mrs. Ibrahim's trees around the urban centers, with many young sons, wrapped in tattered gray blankets, lay on the floor, racked by high fevers. "It is the winter that scares us the most,"

Families that have subsisted oo vegeta-bles for months now watch as prices spiral but now we do not see a way out." she said. "Before we could at least exist,

Said to 'Fight Dirty'

democratic process."

The UN peacekeeping operation was set in motion by the October

Namara, head of the human rights office of the United Nations Transitional Authority in Cambodia, "We're seeing arrests of party

have said they will not take part in the election or honor its results. Meanwhile, they continue to fight.

mats and opposition officials say.

Officials in this government are
just waking up in the fact that
they're unpopular — and may even be voted out of office," a Western diplomat here said. "So now, they're lighting for their survival.

members for political reasons, harassment of civil servants who might want in join one of these parties, intimidation of human rights group members and allegations of political killings," Mr. Mc-Namara said. "This can't continue if we're going to have a mandated,

1991 Paris peace accord, which was signed by leaders of the Vietnam-ese-installed government and three guerrilla factions to end the 13year-old civil war. Its mandate includes organizing and monitoring a national election by next May.

The Khmer Rouge guerrillas

PARIS (AFP) — A French appeals court ordered a new grand jury investigation. Friday into charges against Paul Touvier, a convicted Nanicollaborator, which were dropped in April by a lower court. The ruting partly overturned the lower court decision to drop charges of crimes against humanity against Mr. Touvier, 77, who ran intelligence operations for the pro-Nazi Milice in Lyon during World. War II.—Prance's highest court ordered a grand jury in Versailles to reconsider indicting Mr. Touvier for the executions of seven Jewish hostages in Rilliewyla-Pene in turn 1944. The April ruting created a furne because attacks and bombings since August, UN officials said. Most of the victims have been members of par-Rillieux-la-Pape in June 1944. The April ruling created a furor because Mr. Touvier had been sentenced to death in absentia in 1947. That

ties representing two U.S.-backed guerrilla factions; the Khmer Peo-ple's National Liberation Front, and the royalist United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia. Last week, two grenades were thrown into the United Front's of-

fice in Battambang, a provincial capital about 240 kilometers (150 miles) northwest of Phnom Penh. Seven persons in the office were spokesman reported. Two days ear-her, a grenade thrown into a restaurant owned by a United Front offi-

Although most complaints of polifical violence have been made against the Phnom Penh governto a preliminary reading. John Minsch of the national earthquake-information service in Golden, Colorado, set a preliminary estimate at a ment. Mr. McNamara said UN human rights workers also had received "serious allegations" against the two U.S.-supported guerrilla factions. He declined to discuss

points at the frontier with France on Fluary to protest the Be-out tall trade accord, a police spokesman said. The spokesman said small groups of farmers from France and Belgium were scattered along the border area and were hlocking roads with tractors. "There are very bad traffic jams," the spokesman said. "The farmers seem to be moving from place to place, so the situation is changing all the time." Earlier Friday, the towns of Soignies, Braine-le-Comte and Casteau in southwestern Belgium were blocked by columns of tractors. They were later cleared and the situation was described as calm. Belgian farmers have been increasing their protests against the farm-subsidy accord approved Nov. 20 between the Community and Washington.

giving government officials a cou-

venient propaganda target.

The problem comes from the Khmer Rouge side," said a government spokesman, Khieu Kanharith. "Not only do they violate the

cease-fire, but they also expand

their territory and dispatch some of

their troops in places where they haven't been before."

ans died during the reign of the Maoist Khmer Rouge from 1975 to

January 1979.
Nearly 14 years ago, Vietnamese troops drove the Khmer Rouge

from power and installed the cur-

rent regime. Since then, the Phnom

Penh government has cast itself as

the only force that can save Cam-

bodia from a return to genocide.

But leading opposition parties and human rights activists have ac-cused the government of attacks

"It is obvious that a free and fair

election cannot be held in circum-

stances where people face threats to their lives, liberty and personal

security for attempting to exercise their political rights," the chief of the UN transitional authority, Yashushi Akashi, said recently.

At least three persons have been

shot and killed and 13 wounded in

More than I million Cambodi-

barked on a campaign of harass-ment and violence against leading opposition parties. Western diplo-

and fighting dirty."

The two governments have tried for months cial wounded four persons.

Jittery Phnom Penh

By Mary Kay Magistad

Washington Part Service PHNOM PENH — Worried about whether it can win the UNsupervised election scheduled for the spring Cambodia's Vietnamese-installed government has em-

Most complaints come from par-ties representing two U.S.-backed guerrilla factions, said Dennis Mc-

Defying China, Hong Kong Votes Airport Funds

Council voted by a narrow margin Friday to start building its planned \$10.6 billion airport, despite Chinese insistence that the colony must

seek Beijing's approval first. The council voted 27 to 25 to grant 6.67 billion Hong Kong dollars (\$865 million) for a cootract awarded in July to a Japanese-led consortium to begin work oo the 1,245-bectare

(3,083-acre) site on an outlying island. The vote, which followed five hours of fracca, the official radio broadcasting tious debate, sharpens the feud between Britain begin round-the-clock service in Ja-pan on Dec. 1, the U.S. Embassy and China over how best to construct and pay for the Chek Lap Kok airport, one of the biggest engineering projects of the 1990s.

DUTY FREE ADVISORY

TO GO, PLEASE - A beggar outside the Beijing McDonald's being restrained Friday after she

had drawn a crowd. The number of beggars, many from rural areas, has grown sharply this year.

anything without an overall financing package. Beijing fears it will be saddled with huge debts incurred in paying for the airport and related projects after Hong Kong reverts to Chinese rule in 1997.

Hamish McCleod, Hong Kong's financial secretary, sidestepped questions about whether the government would seek financing for future contracts. He also refused to answer questions about whether the government had any contingency plans if Beijing continued to withhold approval for the project.

Tam Yiu-chung, a council member who vot-

Compiled by Our Staff From Dispatches

While British colonial authorities appear ed against the financing said the vote would further aggravate the deteriorating relationship by-project basis. China does not want to start between China and Britain.

to reach an overall agreement, but Beijing rejected the colonial government's latest plan in October to inject more cash into the project. The billion airport is considered essential to

the future of the territory as an international business center after its transfer to Chinese

The vote on Finday will allow a consortium of Japanese, British, U.S., Chinese, Dutch and Belgian companies to start enlarging an outlying island that will eventually house the airport terminal and two runways. (AFP, AP)

TRAVEL UPDATE

Los Angeles, 75 miles west of the epicenter.

magnitude of 5.3.

French Transit in 24-Hour Shutdown PARIS (Reuters) - Commuters in the French provinces resorted to

WORLD BRIEFS

The nations warned that Libya would be "seriously mistaken" if it

doubted their resolve. The joint statement, made public by the French

people.

The Security Council on March 31 imposed an embargo on Libya to pressure Libya to band over to the United States or Britain two Libyans suspected in the Lockerbie bombing. Paris has asked for Libyan cooperation in a French inquiry into the UTA bombing, in which four Libyans

Farmers Jam French-Belgium Border

BRUSSELS (Reuters) — Belgian and French farmers blocked border points at the frontier with France on Friday to protest the EC-U.S. farm

Support for Miyazawa Falls to 20%

TOKYO (Combined Dispatches) — Barely one in five Japanese voters now supports Prime Minister Kiichi Miyazawa and his scandal-plagued

government, according to a poll published Friday.

Public approval of Mr. Miyazawa's government fell three percentage points in the past month, to 20.1 percent, according to the poll in the

More than two-thirds of respondents, 68 percent, said that Mr. Myazawa and his ministers were doing a poor job. Of those, 51 percent cited the cabinet's lack of political ethics and its failure to introduce

political change, and 40 percent disapproved of its handling of the

WASHINGTON (UPI) — Italian researchers have developed an experimental sperm "washing" process that appears to allow men infected with the AIDS virus to safety father children.

Dr. Augusto Semprini of the University of Milan Medical School and his colleagues reported using the procedure to artificially inseminate 29 women with sperm from their HIV-infected husbands that had been cleansed of the deadly virus.

Fifteen of the women had become pregnant and 10 had healthy babies

with the oldest now being 3 years of age, the researchers reported. Thursday in the international medical journal The Lancet. None of the women or the babies apparently had been infected with the AIDS-causing human immunodeficiency virus, the researchers said. However,

Paris Orders New War Crime Inquiry

sentence antomatically lapsed in 1967 and other charges were covered by a 1971 presidential pardon. Mr. Touvier was arrested in 1989 after more than 40 years on the run, hiding mostly in Catholic monasteries.

Damage Is Light in California Quake

BIG BEAR LAKE, California (AP) — A moderate earthquake jolted. Southern California on Friday morning, cracking building walls, toppling chimneys and triggering rocksides. But overall damage was light and no

The quake, which seismologists said was an aftershock to twin quakes

that struck the region in June, was centered six miles (10 kilometers) north-northeast of Big Bear Lake, a resort in the San Bernardino

Mountains. It struck shortly after 8 A.M., and was felt strongly in central

Kate Hutton, a scismologist for the California Institute of Technology

in Pasadena, said the quake measured 5.4 on the Richter scale, according

they cautioned that more research was needed on the procedure.

Testing a Way to Father With HIV

(Reuters, AFP)

Evicuote:

May From

MRIC!

OPICS

Albject Fall

herhead Bi

....

U.S., U.K. and France Warn Libya

even more effective.

are suspected of being involved.

bicycles and roller skates to get to work on Friday as a 24-hour public transportation strike snarled up about 50 towns around the country, French radio and transportation officials said.

Days after the end of a strike on the Paris Metro, workers dissatisfied with a new package of working conditions brought transit to a standstill in provincial cities including Lyon, Strasbourg, Mulhouse, Grenoble, Valence and Rennes. Private buses were chartered for schoolchildren, but they got caught in huge traffic jams. Other cities partly affected included arseille, Bordeaux, Toulouse and Metz.

Paris, which had its share of strikes all of last week, was not involved. Local unions decided Thursday night to scrap a subway strike scheduled Truck drivers who had threatened to bring Italy to its knees suspended

on Friday a planned nine-day strike after the government offered them huge subsidies. A group representing 110,000 haulage firms agreed to halt the strike after the cabinet said it would grant 870 billion lire (\$621) million) to avert it. The group, Unatras, carries 80 percent of Italy's gasoline, food and medicine. It had warned that gasoline stations would run dry within three days if the strike went ahead.

Japan and Russia have agreed to expand their air links, including flights between St. Petersburg and the new Osaka airport, which is due to open in 1994, Kyodo news agency reported Friday in Tokyo. (Resters)

in Japan, where the public has an

acute nuclear allergy. Officials of other Asian coun-

tries have said that they are uneasy with any plan that will put so much pintonnum in Japanese hands, even though Japan has long committed itself to never building or possessing a nuclear weapon.

Two weeks ago, in a reversal of position, Japanese officials said it was possible that future shipments would be scaled back.

They were responding to an outcry from several countries - including South Africa, Chile, and a number of Asian nations - that have banned Japan's plutonium transport ship from passing through their waters.

The shipment from France is supposed to arrive in Japan around the end of the year.

The softening of Japan's position set off a flurry of seemingly contra-dictory announcements from other Japanese officials involved in the plutonium program. In recent days, some have declared that the plan is being reviewed, while others called

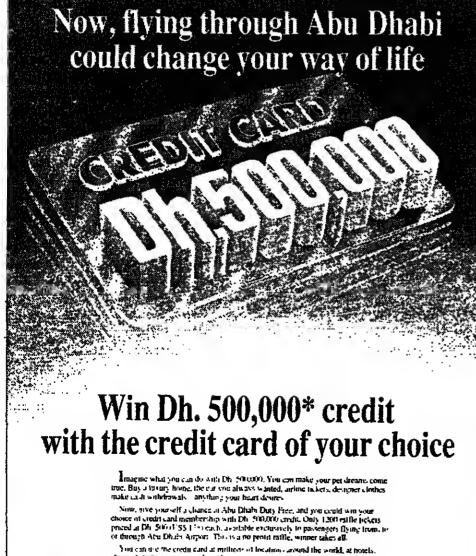
as planned. Speaking to reporters on Friday.

Naomi Tsunoda, the head of the nuclear fuel planning department of the government-affiliated Power Nuclear Corporation, said that holding the fuel for three years would not violate Japan's pledge

we call a 'running stock.' " he said. Some fuel would always have to be on hand, he said, to make sure that the breeder reactor - which both consumes and produces plutonium would never run out of fuel.

amount sufficient to fuel thousands

Officials in Tokyo have said that Japan's neighbors have nothing to worry about, because the phitonium - a speck of which can cause cancer - is contained in special casks and heavily gnarded. Japa-nese officials have said that they hope to bring a second shipment of platenium to Japan from Europein



Results of the ratific draw win be announced in the press, and the Dh. 500,000 will be credited into your charge of credit eard account in your name. The card, if a new account, will be forwanted to you. Fly through Ahu Dhahi, make a wish, and win a dream

Dr. Ser, et a US, 17 rest appeared in

Abu Dhabi Airport Duty Free

Up to 50 Killed in Venezuela As Loyalists Put Down Revolt

CARACAS - The Venezuelan government said of it. loyal troops had put down a coup attempt by rebel soldiers on Friday in which up to 50 people were uniform, made what appeared to be a live statement killed, hundreds wounded and the presidential palace on the state television station, also calling for help

President Carlos Andrés Pérez, surviving the second coup attempt since February, said in a televised address 10 hours after the uprising began that the government had regained control of all military installations except for the Maracay air base, 100 kilometers (60 miles) west of the capital.

The coup leaders had surrendered, Mr. Pèrez said. The situation is completely under control," he

The government imposed a 6 P.M. to 6 A.M. curfew in Venezuela and suspended constitutional rights. Quoting Venezuelan legislators, the government news agency Venpres said that as many as 50 people had been killed and hundreds had been wounded in

The death toll was taken from hospitals around Caracas, the legislators quoted by Venpres said. Hospital in the capital were put on emergency status

attempt, the agency reported. Aircrast under rebel command dropped several bombs on the presidential palace, and one hit its mark and damaged the upper floors of an administrative

to deal with the large number of casualties in the coup

Mr. Perez. who was in another huilding was not Bombs dropped by the rebels also blasted a hole 18

meters (20 yards) wide in a palace wall and left craters

in surrounding streets. Smoke billowed near the palace complex and at La Carlota air hase, eight kilometers away, where rebel aircraft strafed government fighter planes on the

Fighting shut down major thoroughfares in Caracas, and the few buses that operated in the capital were mobbed by frantic residents.

rebel soldiers were arrested, the agency said. A weary-looking Mr. Pérez, 70, said in the televised address that he had sent a column of tanks to Maracay to put down the remnants of the insurgency, which began when the rebels took over the country's main television station at dawn and announced their

Among the dead were presidential guards and intel-

ligence officers, according to Venpres. About 100

At about 5:30 A.M., the station began broadcasting a videotaped message from Lieutenant Colonel Hugo Chavez Frias, the imprisoned leader of the February uprising, announcing the new overthrow attempt and calling on Venezuelans to take to the streets in support Following the statement, three men, one in military

from all Venezuelans The men said they belonged to the Bolivarian Revolutionary Movement, which they described as a civilian-military group.

attempt in February, stated they had launched the insurgency in protest against what they termed a "false democracy" that was impoverishing

Venezuela, the third-largest producer in the Organization of Oil Exporting Countries, has been beset by unrest, with critics accusing the government of not distributing oil riches in the public, citing corruption

Mr. Pérez took office in February 1989 for a five-year term. Shortly after his inauguration, he intro-duced austerity measures that triggered rioting in Caracas in which at least 300 people were killed.

As the revolt was put down on Friday, the authorities announced they were suspending constitutional rights to freedom of speech, of the press and the right to protest. Security forces also will be allowed to search homes and make arrests without warrants.

As the coup attempt progressed Friday morning, about 1,000 civilians marched toward the presidential palace in support of the rebels, but the civilians dispersed when police fired tear gas.

Several cars and shops were set ablaze near the Military sources said that loyal troops had shot

down at least two U.S.-made Bronco aircraft controlled by the rebels. Heavy gunfire occurred at the state television station, where nine people were killed, according to a local radio station. A photographer said he saw four bodies outside the station.

The international airport was closed to prevent rebels from landing there, according to a Colombian in Kennehunkport, Maine, the White House

George Bush had called Mr. Pérez "to reassure him of our support for democracy around the world." Mr. Fitzwater said that Mr. Bush had been briefed and "we understand it is coming under control." The Organization of American States called an

urgent session of its permanent council in Washington

spokesman, Marlin Fitzwater, said that President

on Friday afternoon to discuss the rebellion. Mr. Pérez said that gubernatorial and municipal elections scheduled for Dec. 6 would proceed as usual "lo show the world that in Venezuela democracy was not altered, not even temporarily."

JAPAN: Plutonium to Be Stored (Continued from page 1) in reporters to say it would proceed

> not to stockpile fuel. "This is within the limit of what,

> > Until recently, Japan has insist-ed that it would not be deterred in bringing 30 tons of plutonium to Japan in the next 10 to 20 years, and

of nuclear weapons.



TRANSITION / GETTING ACQUAINTED

* POLITICAL NOTES*

Clinton Shores Up the California Connection

LOS ANGELES — Is it the sun, the waves, the old friends, or the 54 electoral college votes that brings Bill Clinton to California for his first vacation since he was elected president?

How about all of the above.

How about all of the above.

Mr. Clinton's weekend visit to Southern California is primarily social, but with him the social and the political are as indivisible as the ocean and the beach. Aides say that this weekend's trip was intended also to underscore a political point: Unlike George Bush, who was frequently accused of slighting California, Mr. Clinton will concentrate on fortifying his political base in the largest state.

"We will not make the mistake of ignoring California," insisted David Wilhelm, Mr. Clinton's campaign manager and now the director of political affairs for the transition.

Descrite those assurances, some in the state wonder if Mr. Clinton

Despite those assurances, some in the state wonder if Mr. Clinton — the first Democratic presidential candidate to carry California, since 1964 — can fulfill the expectations his election has aroused in a areas as diverse as South Central Los Angeles and the Silicon Valley. And some California representatives on Capitol Hill worry that for all the promises of tending to California, Mr. Clinton may feel more compelled to steer federal dollars toward the state's Sunbelt rivals of Texas and Florida — two rich electoral prizes the Democrat

"There are two ways to look at this," said a ranking California aide. "Does he reward California for bringing so much to the table, or does he try to shore up Texas and Florida where he lost?"

But to many of California's Clinton-watchers, the early signs are encouraging. To an unusual degree, Californians were well represented in the upper reaches of Mr. Clinton's campaign and remain so in his transition effort — starting at the top with the transition director, Warren M. Christopher, a Los Angeles attorney. And a long list of California business and political leaders are on the short lists of potential White House and cabinet appointments lists of potential White House and cabinet appointments.

"On all counts, from friendship to political support, the California connection has been second only to the Arkansas connection," said Derek Shearer, a professor of public policy at Occidental College in Los Angeles, and one of Mr. Clinton's oldest friends in the state. By all reports, Mr. Clinton seems to genuinely enjoy California, particularly Southern California.

Environmentalists Dream of a Green Era

WASHINGTON - After spending most of the last 12 years in the political wilderness, environmental groups are dreaming of a forest-green Clinton administration.

A favorite to head the Environmental Protection Agency is well-positioned: Carol Browner, 36, Florida's secretary of environmental regulation, a former Senate aide to Vice President-elect Al Gore and now his transition chief. Another prime candidate is Madeleine M.

Kunin, who gained Bill Clinton's respect when she governed Vermont and helped him choose Mr. Gore as his running mate.

Environmentalists have mixed feelings on retiring Senator Timothy E. Wirth, Democrat Colorado, a prospect to head the Energy or Interior departments. They like his support of alternative energy sources but some wince at his pro-nuclear stance. And Mr. Wirth is said to be dubious about tackling such no-win issues as nuclear waste disposal. Others in the running for top jobs include James Gustave Speth, president of the World Resources Institute; Jessica Tuchman Mathews, the institute's No. 2; and Fred Krupp, chairman of the Environmental Defense Fund.

Bushes Spend Quiet Thanksgiving in Maine

KENNEBUNKPORT, Maine — Thanksgiving has always been a warm, cozy time in this soft-bued, charming New England fishing

village and resort — particularly for George Bush.

The nation's 41st president spent his boyhood summers in the family's 26-room mansion on Walker's Point, and he has come back

for family get-togethers every year except in 1944, when he was serving with the navy io the Pacific.

But this year, Mr. Bush and his wife, Barbara, spent a rather solitary Thanksgiving. Sean T. Walsh, a member of the White House press staff, said that the president and first lady celebrated alone Thursday, one of the few times in recent memory-that they have not been igned by other family members or greater. been joined by other family members or guests.

By comparison to previous years, the 11-acre compound in Kennebunkport is quiet. Secret Service agents continue to check motorists along the perimeter road, but there are few other signs that the Bushes are "at home."

Quote-Unquote:

President-elect Bill Clinton, on his personnel decisions: "I like to pick a good team and I really believe in team work. Once you put the team together — it's not like you can take 44 football players out there and you just have to play 11 at a time. You've got a team and there's no substitutions. So I'm trying to do a good job."

(AP)

Away From Politics

· A ghat of Christmas trees, more competition and the popularity of artificial trees have industry officials worried that this may be a tough holiday season for growers and sellers. Albert Gondeck, executive director of the Maine Christmas Tree Growers Association, which represents 250 growers, thinks he's got to the root of it:
"There aren't enough people for all the trees."

• Two former students have sued Wayne State University in Detroit, saying that an English proficiency test that prevented them from graduating is racially biased. Martina Gifford and Otis Mathia, both black, say in a suit that more black than white students fail the exam. • A 74-year-old woman foiled an attempted carjacking, ramming her assailants ar and dragging one of the men down the street with her vehicle. "I wanted to kill them with my car," said Anne Stern, of Vailey Stream, New York. "I'm amazed at how I behaved."

· A wave of arson fires in Scattle and its suburbs has caused about \$10 million in damage, officials said. Since early August, a record 107 fires have been set in the city and dozens more in the northern suburbs. No one has been injured, and no arrests have been made. • Federal researchers hope a natural insecticide made from extracts of a tobacco plant will help fight a major agricultural scourge, the sweet potato whitefly. It has caused millions of dollars in damage to fruit and vegetable crops, alfalfa and cotton, in the West and South. The halfacinogenic drug LSD has returned to America's schools and streets, federal studies show. More youths aged 12 to 17 have tried LSD and other halfucinogens than have tried cocaine, and LSD is second only to marijuana as the drug of choice for this age group. • The Coast Guard has agreed on a compromise with the U.S. Lighthouse Society that will allow the nonprofit group to operate two or three old-time foghorns in San Francisco Bay. Three weeks of protests followed the announcement of a plan to replace the deep, protests followed the announcement of a protest followed the announcement of the protests followed the protest followed the protests followed the protests followed the protests followed the protest foll



President-elect Clinton giving a good-bye bug after visiting a homeless shelter in Little Rock.

Little Rock Pride Rises Again As the Local Boy Hits the Top

By Michael Kelly New York Times Service

LITTLE ROCK, Arkansas - This is naturally a modest city. On cool mornings, the two buildings that are the high points on the skyline, the Excelsior Hotel and the headquarters of TCBY Yogurt, are obscured by the thick white fog that rises from the brown water the Arkansas River as it courses through flat, swampy land.

Downtown, which once stretched for 25 bustling blocks along Main Street, has run down badly in recent years. Some businesses remain — a few inex-pensive restaurants, a combined newsstand and liquor store, a bandful of small clothing stores, some banks and lawyers' offices. But the department stores, the more popular restaurants and the cinemas are in the western part of the city at Park Plaza Mall.

In this climate the election of a local boy and boy governor, Bill Clinton, to the presidency has fallen like manna. His triumph in becoming the first Arkansan to be elected president has become a shared thing, proof that people bere are just as good and as smart as

Early Thursday, Mr. Clipton joined several hundred other dedicated runners for his sixth annual appearance at the city's annual Thanksgiving Day race, the Downtown YMCA's three-mile (five-kilometer) Turkey Trot. The other runners greeted him with a mix-ture of emotions that is peculiarly Little Rock these days, the intimacy of long-standing acquaintance min-

gling with a newfound pride.

Mr. Clinton, in silver tights, blue shorts and a white sweatshirt, touched and joked his way slowly through

the crowd to the starting line, stopping often to give another autograph or pose for a snapshot. "What Bill has done is just wonderful," said Sue Bonaminio, who came to Little Rock from Erie, Pennsylvania, seven years ago. "When I moved here, my mother said she didn't even know where Little Rock was. She said there was nothing here but hoedowns and hillbillies. Bill has showed people Arkansas is a real state, Little Rock is a real city, and we're real

Richard Brewer, who is 21 and runs the last, and mostly empty, barbershop on Main Street, talks of the president-elect with an easy, almost possessive,

"I'm so proud of Bill," be said, "He was born to a small town here, like me, like most people in Arkansas, and he's shown that someone like that could do whatever he set out to do. That'll make a lot of people realize that we're not just a hunch of rednecks and

early 19th century, when Little Rock was young, Arkansas River men were regarded as terrifying brawlers, quick to reach for a Little Rock product known to saloon wits as "an Arkansas toothpick," the Poverty and crime remain big problems. In the

annual indexes the government uses to quantify depri-vation, Arkansas falls somewhere between 46th and 49th among states. "Thank God for Mississippi" is an nnofficial slogan.

Crimes of violence have flourished over the last several years.

This month, in the city's 52d homicide, a 12-yearold boy was charged with first-degree murder in the death of his 14-year-old uncle, shot in the bead. The police noted that the boy was the 19th person aged 19 or under to be arrested in a homicide this year.

In recent political history, Little Rock was best known for its violent opposition to integration at Central High School in 1957, encouraged by Orval Faubus, governor at the time. In recent cultural history, it was known primarily as the hometown of the dizzy blonde wbom Anita Loos said gentlemen preferred.

Mr. Brewer remembers when the barbershop in the old Hotel Marion kept five chairs running and when Representative Wilbur D. Mills held court in the lobby. Before he was toppled from power after bouts with alcoholism and public indiscretions with a striptease dancer in 1974, Mr. Mills, the longtime chairman of the House Ways and Means Committee, was one of the two or three most powerful men on Capitol Hill.

Back then, the downtown streets were packed Friday nights, and the stores stayed open until 9 P.M. People waited in line to get into the Lido Club and Miller's Steak House. Still, most of the 157,000 people who live here now probably would say that this is still a line place to live, better than most.

Little Rock's downtown is not much more moribund than that of most older cities. The western section of the city is a young suburban boomtown, full of oew homes, restaurants and stores, golf courses and

Crime is oowbere near as terrible as it is in Washington. The poor parts of town are grim, but nothing like their counterparts in New York. People here have a cheerful amiability. The relationships between the moneyed and unmoneyed, and between black and white, seem notably relaxed.

Among its other assets, Little Rock has a zoo, a symphony orchestra, a theatrical repertory company, a public school system that is better than many, a good ublie library, a historical society, a ballet company, Arkansas is a poor state with a violent past. In the an art museum and a museum of science and history.

Clinton Seeks Reagan's Advice – and Some Rest

Compiled by Our Staff From Dispatches LOS ANGELES - Presidentelect Bill Clinton arrived to California on Friday for a brief vacation and some advice from former President Ronald Reagan on how to get things accomplished during his

first year to office. Mr. Clinton was 15 minutes late for the midday meeting with Mr. Reagan at the former president's office in central Los Angeles. Following the talks, the president-elect transition its 1980 and '81. "They

(Continued from page 1)

knows who is a citizen and who is

oot, especially when passports are

"We don't keep records of peo-ple's travels," the State Depart-

ment spokesman stressed. "Every-

thing on the application is covered

space for the countries and dates of travel, but the box is marked "not

mandatory." The agency uses this

to locate citizens in emergencies,

the department spokesman said.

Expired passports are kept by applicants, not the State Department.

The files are searched when an

accident outside the United States,

such as a plane crash, involves

American citizens whose identities

need to be confirmed, or when citi-

zens are trapped in a war zone, such

They are also flagged with "look-

out" designations to cases where passports should not be issued: cer-

tain criminal cases, persons who

have renounced their citizenship,

or individuals deemed a threat to

national security or who have par-

ticipated in activities abroad that

could interfere with U.S. relations

According to the agency, there are a "very, very small number of lookouts" in the national security

area. The spokesman declined to

provide any details, saying these

contain any letters regarding citi-

zenship. Usually, there is no correspondence. That was the case with Mr. Clinton's file, although politi-cal appointees in the State Depart-

ment were trying to find a rumored note from the Vietnam era in which

The general passport files also

with foreign governments.

files are classified.

The passport application leaves

reported lost or stolen.

by the Privacy Act."

was to take a long weekend off with went after their agenda pretty hard, his family, staying with friends in Southern California. Earlier, before leaving Little

Rock, Arkansas, Mr. Clinton discussed why he had requested the "I want to ask him to talk about the transitioo and the first year of

Mr. Clinton was purportedly either

renouncing his citizenship or re-questing information on the proce-dure. The justification for the

search was requests under the Free-

Passport files are considered

files kept under an individual's

tions. As the Clinton search made

The State Department interprets

eral, the disclosure of passport

the various laws to mean that, in

application information is barred

without the consent of the individ-

officials, the department believes it

is required to search the files, with-

out prior consent of the official, to

determine which parts can be re-

leased without "a clearly unwar-

ranted invasion of privacy." In the

end, nothing may be deemed re-leasable. Requests for passport re-

cords on President George Bush,

In a major 1987 decision, the Supreme Court strongly backed provisions of the Privacy Act in a case that addressed the legal con-

flict between individual privacy

quirements under the law, accord-

ing to Allan Adler, former legisla-tive counsel to the American Civil Liberties Union.

needs and public disclosure re-

for example, have been denied.

However, in the case of public

dom of Information Act.

his presidency," Mr. Clinton said. "They gave it a lot of thought,"

FILES: There's No 'Sinister Aura'

so I think we'll talk about that." Mr. Clintoo was asked if he agreed with those who have compared him to Mr. Reagan because both were swept into office on calls

"Well, I hope we can pass our program, I'll say that," Mr. Clinton said. "And I hope that I can give the country a sense of momentum and optimism and hope."

Mr. Clinton's communications director, George Stephanopoulos, said the meeting with Mr. Reagan would be "basically a courtesy call, He added: "I think he has an

awful lot to learn from anyone who sat in the Oval Office, and it should be a good meeting."

"I'm going slow on this," Mr.

Clinton said of his cabinet selec-Clinton attacked Mr. Reagan's eco-oomic leadership and said the for-

mer president's adoption of "trickconfidential under provisions of the Privacy Act, which protects le-down" economics had hurt most But Mr. Stephanopoulos said name. But according to the State Mr. Clinton also had commended

Department's inspector-general, who investigated the Clinton search scandal, there are excep-Mr. Reagan for "facing down communism and in belping to end the Cold War." The president-elect later planned

clear, political abuse is possible. to visit a shopping mall in suburban Los Angeles and to meet with time" that the United States ough The most notable exception involves the Freedom of Information holiday shoppers. Mr. Clinton was to stay over-Act, a law designed to require disclosure by the government of infor-mation about how it operates.

Dining 🗸

night at the Santa Barbara home of Harry and Linda Bloodworth Thomasoo, old friends and Hollywood He added, "I think it is high the initiative."
He added, "I think it is high producers who helped put Mr. Clinton's up-by-the-bootstraps im-The presideot-elect stopped age on film at the Democratic Nashort of any more specific comional Convention. ment oo how the situation should

He planned to stay to the Santa Barbara area oear the ocean through Monday, except for a day-and-night stay to Pasadena to visit friends Saturday.

His wife, Hillary, and daughter, Chelsea, 12, accompanied him.

Clinton associates say he often uses long weekends away with Mrs. He is contemplating his cabinet choices and interviewed some candidates earlier this week.

tions in an interview Thursday.

The president-elect settled into the boliday mood Thursday, celebrating Thanksgiving with his family at bome. He spent part of his holiday visiting shelters for the homeless and for battered women.

Mr. Clinton also voiced support Thursday for the Bush administration's offer of U.S. troops to help relief workers in Somalia. He said be had "felt for a long

to "do more" in Somalia. Mr. Clinton found it "bearten-

PARIS 15th

LE TOIT DE PARIS

Dance Parties every Saturday right starting at S p.m. with gastronomic sec-load buffet and five music at Le Tait de Paris on the 10th floor of the hotel feo-

the Effel Tower. FF 350 incl. buffet and donarry. Paris Hilton 18, ov. Suffren. TL: 427392.00.

PARIS 17th

CHEZ FRED

nois bistro, traditional French coo doily dishes. 190 bis, bid. Pereire. Tel: 45 74 20 48.

ROME

DA MEO PATACCA

Trastevera. Rest, famous for fun food, music folidora. 00153 Rome, Plazza de Mercant 3 Tel.: 06-5816198, 5892193, Fax: 582552.

THE HAGUE

LE RESTAURANT

In the picturesque heart of The Hague. Sub-lime cooking in most splendid surroundings. HOTE, DES INDES, Large Voorhout 54 Tel-

RESTAURANT ELYSÉE

Winner of The Hogue & la Corre 92. French cooking. 3-course menu at dil 70. wine incl. served within 45 min. HOTEL SOFITEL Kon. Julianoplein 35. Tel: 070-381 4901.

RESTAURANT KANDINGKY

French in I lächen. Feh specialities. Nominos ad one of Hollands best. Spectaculor seawew KLRHAUS HOTEL Gevers Deynootplain 30.

RESTAURANT LA CIGOGNE

Cooking Contest 1991. PROMENADE HOTEL van Stalkwag 1. Tel: 070-3525161.

Sociable restaurant with a refined o latchen. Winner of the Dutch Pre



Ambassador Lapel Flags® Your Logo with any 2-flag mlx 24K Gold linished
 Full colors
 100% U.S.A.-made

ve'il custom-make any emblem for youl
Delivery: 14 business days, Worldwide.
TME Co., Inc. 101 Bel Air Drive
New Militord. CT 06776, U.S.A.
(800) 535-5255 • Fax (203) 354-2786

The Desk Diary That Picks Up And Goes With You.

be handled, oor did he spell out

under what circumstances military

(AP, Reuters, LAT)

force should be used.

Half your life's story — or even more is inscribed on the pages of your desk diary. Yet when you travel or go to meetings, most desk diaries are too cumbersome to take along.

That's why the International Herald Tribune - constantly alert to the needs of busy executives - had this desk diary especially designed for its readers. Bound in lucarious silk-grain black leather, it's perfect on your desk, offering all the noting space of any standard desk diary. Yet pick it up and you'll find it weighs a mere 340 grams (12 oz.).

No voluminous data and statistics are included in this diary, but on the other hand a removable address book saves hours of re-copying from year to year. Note that quantity discounts are avail-

able. Please allow three weeks for delivery.



useful gift for executives on the move 22 x 15 cm (8.5 x 6 in.). lits easily into the slimmest attaché case, and has gilt-

metal comers, gold page-edges and French blue paper. Personalized with gilt initials on the cover, it's a marvelous gift

Herald Eribune.

Karen Diot, Special Projects Division, 181 Ave. Ch.-de-Gaulle, 92521 Neully Cedex, France. or fax to: (33-1) 46 37 06 51 Payment is by credit card only. All major cards accepted.

(Please note that French residents may pay by check in French francs. We regret that checks in other currencies cannot be accepted.) Please send me_ 1993 IHT Desk Diaries

Price includes initials, packing and postage in Europe 1 - 4 diaries 290 F.F. (U.S.\$53) each

5 - 9 diaries 270 F.F. (1) - 19 diaries 250 F.F. (1		
Additional postage outside Europe	Check here for outside Europe	deliver

55 F.F. (U.S.\$10) or certified mail: 85 F.F. (U.S.\$16) Please charge to my credit card: □ Access □ Amex □ Eurocard □ Diners □ MasterCard □ Visa

City and Code.

KERVANSARAY Turkish & Int'l specialises, labeter bor, bast septional restaurant, 1st floor, Machierer, 9, Tel. 5126843. Air conditioned. 80 m. Opero.

THOUMIEUX Specialities of the South-West, Confit de co-nard & casaculet au confit de canand. Air conditioned. Open everyday, 79 rue 9-Dominique. Tel. (1) 47 05 49 75. Near Justicial Yannani.

invaldes Terminal.

Restaurant LAXENOXEN Doily fresh solmon and prime beef in the centre of Amsterdom at SAS ROYAL HOTEL on Rusland 17, Tel.: 920-5208242.



THE MEXICAN RESTAURANT on daily, 5 p.m. - 1 a.m. 40 Reguliers prestract, Amsterdam. Ph.: 020-625 9797.

O' testament Vormen

"CIRSINE NATURELE"
Golden Tulip Barbizon Poloce.
Prins Hendrildsade 59-72 AD
Tel: + 3120-5564 564 - Fax: 3120-6243 353.

NEUILLY-SUR-SEINE FOC LY

Chinese Resourant. Now dishes and new menus for lunch including one seam-cooked need, During week-end childrens' manu from 75 Frs. 79, ove. Charles de Goulle, Neully. T.; (1) 46 24 43 36 - 71, ove. de Suffren, Por 7th. T.; (1) 47 63 27 12, nearby Effel Tower.

PARIS 1st DE FRANCE CAPR'S Sunday 65 F., chinks not included. 1, rue du Mont Thobor. Tel.: 42.60.60.26.

LE JARDIN DE LA MOUFF Take your time and appreciate your food!
Man course is served with Bref and Trenet
songs performed by the owner. (Menus at 108
F - 138 F - 198 F; 75, rue Mouffetand, TeL; (i)

YUGARAJ Hailed as the best Indian restaurant in France

by the leading guides (or i Soughine, 7.: 43,26,44,91.

Noon-3 p.m. & 6 p.m.-1 p.m., except Sunday

AMERICAN TOPICS

When Objects Fall From Overhead Bins They fly through the air with the

And bounce off your head and your neck and your knees.

The Association of Flight Attendants has estimated that items falling from the overhead storage bins on aircraft may account for at least one passenger injury every day in the United States. Documents recently filed in a Michigan lawsuit lend support to that estimate, The Washington Post

According to the documents, which were filed by United Airlines, briefcases, carry-on bags and metal luggage carts are the most common objects to fall on But the documents also record passengers being struck by falling

computers, tennis rackets, canes, typewriters, camcorders and strollers. Blows were registered to the tops of heads, to temples, jaws, checkbones, mouths, necks, shoulders, chests, arms, hands, wrists, ankles and Achilles ten-In some cases items fell as pas-

sengers were stowing luggage. In others, they fell as flight atten-dants or passengers opened bins. In a few, the bins popped open of

Short Takes

A plaque quoting Malcolm X at the University of Rhode Island has angered black students, who say the inscribed words of the slain Black Muslim leader misrepresent what he said. Two per-cent of the 11,770 undergraduates

are black. The inscription, etched in granite on a new addition to the main library, reads: "My alma mater was books, a good bbrary. I could spend my life reading just satisfying my curiosity." The full quotation, as it appeared in his autobiography, was: "My alma mater was books, a good bbrary. Every time I catch a plane, I have with me a book that I want to read. And that's a lot of

books. If I weren't out there every day battling the white man, I could spend the rest of my life reading just satisfying my curiosity." University officials say the omission was unintentional. But they have no plans to change the

A generation ago the standard film program was a main feature, or even two features, excerpts from future programs, a newsreel, a cartoon and a short documentary subject or two. All but the

main feature and previews have

long since disappeared, to be re-

placed by ads. Now the Academy of Motion Picture Arts and Sciences has gotten around to recognizing this reality. After next year, there will be no more Oscars for sbort documentaries and short live-action films. Cartoons will not be affected. Lost in the woods while hiking with a group? The first rule of

survival, says Richard P. Mar-

quiss of Wheaton, Maryland, in a letter to The Washington Post, is "Stop and Stay Put!" Find the nearest spot where you are highly visible, and make a lot of noise. Both of our children were trained to stop and wait when lost or otherwise separated from us or each other," he writes. "This training paid off several times during their younger years. Be-cause they remembered their training, we needed only to retrace our steps to locate a lost child.

Arthur Higbee

valuz held: baske pean Re try's plain peset salter ròsc the E from was r venir

Agence 1 ABN A ACF H Asson AACF H Asson Anold Africa Anold Africa Agree Constant Angle Con

ACCEPTAGE ACCEPT

Russian Deputies Hold Center

No-Confidence Vote Is Barred as 'Crisis' Plan Is Rejected

MOSCOW — The Russian par-liament on Friday rejected calls by ment's "anti-crisis" economic hard-line deputies for a no-confidence vote in the government and instead formally urged ministers to

Deputies adopted a vaguely worded resolution calling on the cabinet of acting Prime Minister parliament's experts. Yegor T. Gaidar to work with the aimed at forging a market econo-

They turned down calls for a noconfidence vote in the cabinet, but also refused to include an approval of Mr. Gaidar's program in their

The vote in the 252-member leg-

islature was 137 to 20, with 13 abprogram, presented a day earlier by

the acting prime minister.

Mr. Gaidar, who defended his rework their radical free-market reforms on Thursday, can in effect ignore the resolution by either shelving it or hy taking on board a

Foreign Minister Andrei V. Koparliament's top economic team to zyrev hinted that President Boris amend the latest version of reforms N. Yeltsin's team was not ready to compromise on the key planks of economic and political reforms.

"If and when it came to talks about the surrender of positions, there would be another president and another foreign minister," Mr. Kozyrev said on television.

Congress of People's Deputies, the highest legislature, to confirm Mr. Gaidar in the post of prime minister when it opens next week.

Hard-line Communist and nationalist opponents in the 1.068strong body want to unseat the cabmet and look set to propose a noconfidence vote during debate on the prime minister's appointment. Hard-liners in the Congress, who

want to slow Mr. Yeltsin's reforms, have demanded the removal of Mr. Gaidar and some other ministers. Mr. Yeltsin reshuffled his cabi-

net this week in a concession to parliament, but his opponents in the legislature said they were not satisfied. The president needs to reach a compromise with Congress to win an extension of his power to issue decrees. (Reviers, AP)

BUNKER: The Aboveboard Underground Economy

those days private business had to operate underground figuratively, he said, today it must literally work underground because state-owned firms have yet to make room for newcomers in the open air.

"Of course, we'd like to move above ground," Mr. Safronov said. "Bnt today, all the good production spaces are still in the hands of old structures. It will take some time to change that."

Sergei Tinnkovsky, an official of a Japanese trading company that stores its cars in a bomb shelter, spoke with similar ambivalence. "We don't like it much," he said.

Mr. Safronov pays rent of about

\$150 a month, for which he gets enough room — more than 1,250 square meters (1,500 square yards) — not only for a workshop but also even without a war," he said.

Moreover, it is safe to assume that President Boris N. Yeltsin's

But now, the general said, fac-tories ignore orders to build ade-quate shelters. "Everyone wants to build cheap, without thinking of the most important thing — peo-ple's safety," he camplained. "That's why I prefer the American way, where everyone builds his own



A Serbian woman in the Bosnia town of Brahmac crying at grave of her grandson, killed in fighting.

for his collection of German sedans brought to Russia as "trophies" af-ter World War II. (The Mercedesnz was complete with bullet Civil defense officials insisted that commercialization has not

dented preparedness. Tenants must vacate within six hours if ordered, they said, and ventilation systems, water supplies and stored goods are maintained as always. Colonel Igor Kuziaev, director of civil defense for Moscow, said his

department now worned mostly about toxic chemical and nuclear "But right now, we don't have any power plant disasters.
"The turbulent development of

while scoffing at reports of vast cities built underground to support the Soviet leadership for years after a nuclear conflict, General Filatov confirmed old CIA estimates that enough "hardened shelters" exist across the country to support 100,000 members of the clite.

GERMANY: Far Right Targeted

(Continued from page I) lent 'extremists' who are not in or-

ganized groups."
But television pictures of blackuniformed and black-helmeted

elite troops storming party offices are designed to send a message that, after 14 months of attacks on foreigners, Germany is no longer willing to tolerate either the violence or its devastating impact on the country's image.

Pressure on Germany to halt the

violence reached a peak this week after the Mölln firebombing. The secretary-general of NATO, Manfred Womer, a German, said his country's allies barbored "growing worties as to whether Germany can master these disturbances before its stability is endan-

In addition to the party ban, officials announced that the Republi-

cans, a far-right party with more than 25,000 members and elected esentatives in several state and local legislatures, would not be allowed to hold a convention in Hannover this weekend. City nflicials

The police also said they arrested eight more members of an East German gang suspected of fire-bombing refugee shelters. But federal prosecutors, who on Thursday announced the arrest of Michael Peters, a gang member whn might have been connected to the Mölln arson attack, on Friday cleared him of involvement in that assault.

Attacks on foreigners continued. meanwhile, when teenagers tossed firebombs Friday at a refugee shelter in the western city of Gelsenkirchen. No one was wounded.

The New Clinton Administration

- **GATT Negotiations** Me The European Monetary System
- Mideast Peace Prospects
- Crisis in Sarajevo
- Reform in China

These events affect all our lives. Shouldn't you be following them daily in the IHT?

Subscribe $46^{0}/_{0}$ off the newsstand price

CALL US TOLL-FREE IN FRANCE: 05 437 437 GERMANY: 0130 848585 SWITZERLAND: 155 57 57 Or send in the coupon below:

Country/Currency		12 months + 2 months PEE	14 months remailant rate	6 months + 3 months FREE
Austria	A. Sela	5,800	9,100	3,200
Belgium	RF.	13,000	71,840	7,100
Desmork	DJc.	3,400	5,098	1,900
Finland	F.M.	2,200	3,640	1,200
france	F.F.	1,800	3,094	990
Germony (most)	DM	665	1,092	365
"hand delivery	DM	210	1,092	416
Great Bream	3	190	291	105
Greece	Dr.	65,000	91,800	36,000
retord	142	220	346	120
licity	Pad .	450,000	873,400	250,000
Lugarbourg	LF.	13,000	27,840	7,100
Numerionds	A	710	1,183	390
Noway	N.Kr.	3,300	5,096	1,800
Portugal	Ec.	45,000	75,440	25,000
Spain	Plex.	45,000	69,160	25,000
- "frond deliv. Modrid	Pes	55,000	69,160	27,500
Sweden (carnoll)	SJG.	2,900	4,368	1,600
hand delivery	SK.	2,300	4,368	_T,800
Switzerions	Ş.Fr.	590	1,092	330
Resr of Europe, N. Africo, former French Africo, Middle East	5	630		345
Gulf Stetes, Ago Central/Laten Ame	ree S	780		430
Rest of Africa	5	900		495
* For information concerning Germany ct: 0130-84868 ** For Madral, hand-delivery	Sor tex (67) 69.4854. Roma do	por malucia free ist	i kee sti lues

Yes, I want to start receiving the IHT (my payment is enclosed). This is the subscription term I prefer (check appropriate baxes):

12 Months (364 issues in all 6 Months (182 issues in all

with 52 bonus issues). with 26 bonus issues). \square My check is enclosed (payable to the International Herald Tribune). Please charge my Credit Card: 🛘 Amenor Gares 🗀 Master Card 🗘 VSA

☐ Diners Club ☐ Eurocord ☐ Access CARD ACCT NO EXP. DATE______ SIGNATURE_ DMr. DMs. CMes DMs. FAMEY NAME.

PERMANENT ADDRESS (THOME (TRUSINESS, CITY: CODE.

Return your completed coupon to: Subscription Manager, IHT, 181 Avenue Charles-de-Goulle, 92521 Neully Cadex, France Fox: 33.1, 46 37 06 51 - Tel: 33.1, 46 37 93 61 The offer expres December 31, 1992, and is available to new sub-

Herald Eribune

Ex-French Aide Cooks Up a Life In Argentina

PARIS - Jean-Michel Bovcheron, the disgraced former mayor whn was pushed into exile hy charges of fraud and personal enrichment, has started a new life as a cook in

"It's quite a punishment be-ing here in a kitchen every evening until twn in the morn-ing," Mr. Bnucheron told French television at his new workplace. "Believe me, it's a real sweat. The Socialist politician has

just opened a restaurant in Buenos Aires, joining a long list of disgraced politicians who have decided to seek a new life in Latin America. The former mayor of Nice, Jacques Médecin, who is wanted on corruption charges, ness in the Uruguayan resort of Punta del Este. Accused nf cooking the

books while he was mayor of Angouleme in the 1980s, Mr. Boucheron now cooks oning soup, coq an vin and other specialities of his region at his restaurant in the Belgrano quarter of Buenos Aires.

Argentina has nn extradition treaty with France, so in theory Mr. Boucheron is safe from French justice.

AMSTERDAM

CROSSROADS INTERNATIONAL CHURCH Interdenominational & Evangelical Sunday Service 10:30 a.m. / Kids Welcome, De Cuserstroat 3, S. Amsterdam Info. 02940-1531& or 02503-41399.

BARCELONA

MUNICH

INTERNATIONAL COMMUNITY CHURCH, Evangelical, Bible Bolleving, services in Eng-lish 4:15 p.m., Sundays of Enhaber Str. 10 (UZ Theresienstr.) (089) 850-8617.

MONTE CARLO

INITL FELLOWSHIP, 9 Rue Louis Notari, Sunday Warship 11 a.m. & 6 p.m. Tel.: 92,16.56.00.

PARIS and SURFERSS

THE AMERICAN CATHEDRAL (Episcopol-Anglican). Sun. 9 & 11 a.m. Sunday School for children and nursery care at 11 a.m. 23 ave. George V, Paris 8. Tel.: 47 20 17 92.

HOPE INTERNATIONAL CHRICH (Ever-geliest). Sun. 9:30 a.m. Hotel Orion. Metro 1 : Esplanade de La Défense. Tel., 47.73.53.54 at 47.75.14.27.

SAINT JOSEPH'S CHURCH (Roman Catho-lic), Masses Saturday Evening 6:30 p.m., Sunday, 9:45, 11:00, 12:15 and 6:30 p.m. 50, avenus Hache, Paris 8th. Tel.; 42.27.28.56. Metro: Charles de Gaulie - Etolie.

his captors, used the Serbo-Cro-(Continued from page 1) atian word ciscenje, meaning miles northwest of Vogosca, shot and incinerated in a furnace at a steel plant at Ilijas, a town north of for which he was paid the equiva-Vogosca. He said some of the men were still alive when thrown into

He also described seeing the bodies of 60 Muslim men who he said had been used by Serbian forces as a "human shield" when Bosnian forces were trying in August to drive Serbian farces off Zuc Mountain outside Vogosca.

In addition, Mr. Herak recounted being taken to a small farm outside Vogosca in early June. A 65-year-old Serhian volunteer, whom he identified as Risto Pustivok, had led him and three other young Serbs there one morning, tn to wrestle pigs to the ground, hold their heads back with their ears and cut their throats.

ist forces have carried out "ethnic t forces have carried out "ethnic he was pressed far his feelings.

Then, he appeared conflicted, saying at one point that "if there

cleansing, frequently to describe his activities as a Serbian fighter, lent of \$6.50 a month.

Referring to the killing of the Muslim family at Ahatovci, for instance, he said Serbian commanders called the Serbian operation in the village ciscenje prestora, or the cleansing of the region, and had told the Serbian fighters to leave

must be a cleansed Serbian territory, that it was a strategic place tween Ilidza and Rajlovac, and that all the Muslims there must be killed," he said. "We were told that no one must escape, and that all the houses must be burned, so that if have nowhere left to return to. It was an order, and I simply did what I was told."

Throughout much of his account, which was given partly in the presence of prison officials and partly with nobody from the Bosnian government or army present, Mr. Herak appeared almost nonchalant. He described details of the killings without apparent emotion, and spoke remorsefully only when

haunted by the recurring images of the people he had killed. "All these things have fried my conscience,"

But even the threat of execution seemed not to hold his attention for long. "I am sure that I am guilty, and even if I am sorry, I will be executed," he said at one point.
"They will stand me in front of a wall and shoot me."
Later, he said be would like to be

ten that some have virtually disap-peared. Mr. Herak said he was baunted at night by the recollection story. The governor, Besim Maderof some of his victims, in particular izovic, gave assurances that he the three Muslim men whose throats be had cut. "I have pictures in my mind of

wake up and smoke, and Osman is always there. I have dreamed at least 10 times of Osman saying, Please don't kill me. I have a wife and two small children.'

was a God, I would not have been But mostly, his account was giv- require Serbian children to wear caught," and at others that he was en in a matter-of-fact manner, and Muslim clothing, hamted by the recurring images of always with a keen attention to "We were told that we would always with a keen attention to detail. As he shifted between one killing or rape and another, the young Serb gave the names of many of his victims, he described what we have been told. That's why many of his victims, he described what we have been told. That's why it has been necessary to do all this why it has been necessary to do all the same that the have been told.

where they had been killed, what . He described events leading up they had been wearing, and what to the Ahatovci killings, when he they had said immediately before and his companions shot 10 members of one family: As the three

He said be and his two compan ions — whom he identified as Rade Vities, 47, a welder, and his son Dragan, 19 - had taken from the family 500 Deutsche marks (about \$320) plus a collection of gold

Herak said, describing how he and his companions had been encouraged to go to the motel by Serbian commanders, who had told them that raping Muslim women was "good for raising the fighters' no-

attacked — Emina, Sabina, Amela and Fatima among others, the youngest of them teenagers, the nidest about 35 — and said Mr. Vukovic, the "prison commander," had told them: "You can do with the women what you like, You can take them away from here - we don't have enough food for them anyway — and don't bring them

year into the Herak home to calebrate the Serbian Orthodox Christ-

But he said that after he joined Serbian fighters in late May, he

egan to get a different view of Among other things, he said, Ser-bian political leaders and com-

tive route on Friday after being blocked by angry Bosnian Serbs for SARAJEVO, Bosnia-Herzegovi-na — Croatia and Bosnian Serbs the third day. have agreed to end hostilities in

Serb Says a Truce Some Is Set in Bosnia

Is Set in Bosnia

Compiled by Our Staff From Dispatches

Bosnia-Herzegovina as of Sunday,

Radovan Karadzic, the leader of

There was no immediate cor-

The information office of the Cro-

atian Army in Zagreb said no one would be available for comment.

A peace accord between Croatia and Bosnian Serbs would be seen by the Muslim-led government in

Croatian television reported

reached by the two commanders.

quarters outside Sarajevo.
"Croatians, unlike Muslims,

have a realistic approach," he said.
"They want their own country in

Bosnia like we do. Muslims, how-ever, want to keep Bosnia a unified Muslim state, which is impossible."

After peace is established be-tween Croats and Serbs in Bosnia,

against the Serbs, but clashes have

frequently flared in the field be-tween Muslim and Croatian forces.

In Serbia, meanwhile, a United

Sarajevo as a betrayal.

interview Friday.

The convoy, which was stopped from reaching Srebrenica by a crowd of angry Bosnian Serb women and children at Skelani, turned Bosnian Serbs, said in a telephone back to Linbovija, where it was blocked by a similar protest on roboration from the Croatian side.

Wednesday and Thursday.

A Bosnian Serb military commander said the convoy would be able to proceed through Ljubovija and the next town on the Bosnian side, Bratunac, on Saturday, but UN relief workers said later talks with the commander yielded little

It has been a total waste of time," said a United Nations offi-Thursday that General Janko Bobetko, commander of the Croatian Army, had agreed to a cease-fire in cial, Laurens Jolles, after talkine for two and a half hours with the areas where Croatian and Serbian forces are deployed. But it also said that the Bosnian Serb commander, Bosnian Serb commander.

"He was not able to reply to the question whether we could go to General Ratko Mladic, refused to Srebrenica tomorrow. He also went back on his statement of this mornsign a cease-fire document.

Mr. Karadzic, however, said that
an agreement had indeed been ing that the crowd of people on the bridge was something he could solve without problems. Now the "This is the most important sign that peace is coming to Bosnia," Mr. Karadzic said from his headsituation is that he doesn't know if he can control them and that we will have to negotiate."
Mr. Jolles said the convoy would

return to the bridge at Bratunac on

Saturday to try again.

The convoy, organized by the United Nations High Commissioner for Refugees, has been trying for three days to reach Srebrenica, which has been cut off since fighting began in Bosnia in April.

Mr. Mladic had assured the
United Nations that the convoys

"the two sides will start negotiating mutual borders," he said.

If that proved true, it would leave the Muslim-led government would be allowed through. But his in Sarajevo even more isolated, holding only the capital and a few cities. The Sarajevo and Zagreb governments are nominally allied assurances seemed to carry little eight in the Bosman Serb villages that bar the way to Srebrenica. On Friday, a jeering mob of Serb wom-en and children blocked the bridge at Skelani. The crowd, many of whom were carrying chunks of rock, were led by the mother and sister of a 20-year-old Bosnian Serb killed in fighting with Moslem Nations relief convoy trying to reach a stranded Muslim town, abandoned a bid to find an alterna-

SERB: Captured 'Volunteer' in Bosnia Tells a Savage Tale of 'Ethnic Cleansing' in Action

bracelets, chains, earrings and

Alternation of

restaurant complex outside Vo-gosca on the main road north from Sarajevo to Zagreb, the Crostian capital. Hn said the "commander" of a prison for Muslim women established in the motel rooms was a Serbian fighter named Miro Vukovic who had established "a system" for the Serbian fighters' rape and

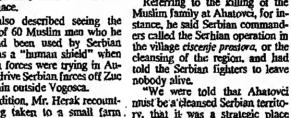
He identified the women he had

he and a companion had attacked Fatima, whom he described as a nice woman, about 30 years old." in a room at the motel, and then taken her at gunpoint in their car to Zuc Mountain.

been left by the roadside, while others had been dragged into

once every three or four days, and that although Serbian fighters routinely took the women they raped away and killed them, there were always more women arriving. "It was never a problem," he said. "You just picked up a key and went to a room."

just call, tell free,



Days later, Mr. Herak said, he

used what he described as "this skill" to cut the throats of three Muslim men captured fighting for the Bosnian Army near Donja Bioca, the village outside Vogosca. In effect, Mr. Herak's story was the first account given by a perpetrator of how the Serbian national-

RELIGIOUS SERVICES

BUROPEAN BAPTIST CONVENTION

BATESNATIONAL SAPTIST CHERCH, BEI-LIN. Rothenburg str. 13, 1000 Berlin 41 (Steglitz). Sible study 10.45, worship of 12.00 and 19.00 each Sunday, Charles A. Worland, Postor, Tel.: 030-774-4670.

CELE/HANNOVER INTERNATIONAL BAPTIST CHURCH, Friederskirche, Remonstr. 15, Celle, SS 12-45, Worship 14-00, 30 mis. Drive, 20 rain. By train from Hemover, Walking detactor from Cells train station. Contact Andy Earl, Tel.: 05141-36735.

DARMSTADT DARMSTADT/EBERSTADT BAPTIST MISSION, Sible study & Worship Sunday 10:30 a.m. Stockmission Do-Essentadt, Bueschelter, 22, poster, Tel.; 05187-91683 (poster) & 05131-66702 (deccen).

DUSSELDORF PNTERNATIONAL BAPTIST CHRICH. English Ls. 10:00, worship 11:05. Children's church and tunary. Muchs at the international School, Leuchtenburger Kirchweg 2, D-Kaisetswerth, Friendly followship, All denominations welcome, Dr. W.J. Delay, Pastor, Tel., 0211/400 157.

NATIONAL CHRISTIAN FELLOWSHIP gelloch-freistrofliche Gemeinde, Britz. 11-18, 6380 Bed Honlours to 06134-23278 or 06196-44335 gits Frankfurt and Tourius onec uny. Sunday worship 09-45, furnar active-chool 10-00, weater's circle 09-30. Housegoups - Sunday + sady 19-30. Postor M. Levey, memoropous Beptist Convention. "Declarery amongst the notions." MUNICH (49) 821-47-2486.

BETHEL INTERNATIONAL SAFTIST CHURCH, Am Dochsberg 92, Frenkfurt c.M. Sunday worship 11,00 c.m. and 6:00 p.m., Dr. Thomas W. Hill, postor. Tel.: 069-549539. ST. PAUL INTERNATIONAL LUTHERAN CHRCH, near Edobashi Str. Tel.: 3261-3740. Worship Service: 9:30 c.m. Sundays. HAMBURG

INTERNATIONAL BAPTIST CHURCH OF HAMBURG meets of TABEA FESTHALLE, Am Isfald 19, Homburg-Oxtdorf, Stole Study of 11:30 & Worship of 12:30 each Sunday. Tel.: 040/820616. HOLLAND TRNITY BAPTIST S.S. 9-30, Worship 10-30, nursery, warm fellowship. Meets at Zioemcomplaan 54 in Wassenaar-Tel: 01751-78024.

WUPPERTAL

ZURICK INTERNATIONAL BAPTIST CHURCH of Wo-denswil (Zürich), Switzerland, Rosenberg-stresse 4. Worship Services Sunday morn-ings 11:00. Tel., 1-700 2812.

EUROPEAN

UNITARIAN UNIVERSALISTS UNITARIAN UNIVERSALIST fello

BARCEJONA: Aptortudo de Correos 27305, 08080 Bercelora, Spoin. Tel.: (03) 314 91 54, BRUSSIUS: Tel.: (02) 660 02 26. FRANKFURT/WIESBADEN- (0611) 77 9461. GENEVA/SEED& (022) 774 15 %. HEIDELBERG: |49| 6222-7 3716 at (49) 6205-16486.

NETHERLANDS: (073) 40 82 08.

PARIS: 1331 1-42-77-9677.

ASSOC. OF INITE CHURCHES IN EUROPE & MIDEAST

AMERICAN CHURCH IN BERLIN, cor. Clay Allee & Potsdomer Str., S.S. 9:30 c. Worship 11 c.m. Tel.; 030-8132021. **ERIPSIAS** THE INTERNATIONAL PROTESTANT CHUNCH OF BRUSSELS, Sunday School — 9.30 a.m. and Church — 1045 a.m. Kallenberg, 19 (of the lat. School). Tal.: 673.05.81, Bus 95, Trast 94.

PARES AMERICAN CHIRCH IN PARS, Worship 11:00 c.m. 65, Quai d'Ossay, Paris 7. 8us 63 az door, Metre Alista-Marceau or modicies. PRAGUE

INTERNATIONAL CHURCH OF PRAGUE. English worship 11-15, Vrazova 4, Prague 5. Sondoy School, creche; weekly bible study. STOCKHOLM IMMANUEL CHIRCH, Kungsteing, & Birger Lot. Friendly Christian fellowship, English, Sweetish & Koreon, 11:00 a.m. Tel.: 46:8 151225 & 309803.

VIENNA COMMUNITY CHURCH, Sunday worship in anglish 11:30 A.M., Sunday school, pursery, international, oil denomino tions watcome, Dorotheeropase 16, Vienna 1. WARSAW WARSAW INTERNATIONAL CHURCH, Prof

VIEWNA

estant Septish language expotriates, Sund 11:00 a.m. (Sept.-May), 10 a.m. (Jane-Au Sunday School 9:55 (Sept-May) | Miodowa 21. Tel., 43-29-70. ZURICH evitativational Protestant Crunch English speaking, workship service, Sunday School & Nussery, Sendays 11:30 a.m., Schorasnyose 25. Tel. (01) 2623325.

In hours of talking he never men entered the house, they heard changed a detail, and fell silent, a voices in the basement and went

changed for Muslim prisoners held by the Serbian forces. On another occasion, he suggested that asked to see that spossible, "I don't suppose that's possible," he said. "But it it's possible, mostly Muslims, would not beat him once he had finished telling his

would not be harmed. Among those who appear satisfied that Mr. Herak is telling the many things I did, and they return truth is his father, Sretko Herak, a every night," he said. "I sleep, I welding technician who is one of wake up in a sweat, I sleep again, I about 50,000 Serbs who have re-

mained in Sarajevo. Referring to a tape-recorded confession by his son played on Sarajevo television on Tuesday night, the senior Mr. Herak said: *I could see that he was frightened, but I believe he was telling the truth. Now I am ashamed to look

people in the face because my son has thrown dirt on his family." Saying his son had a history of poor grades in school, exatic be-havior as a conscript in the Yugoslav Navy and heavy drinking accompanied by threats of physical harm to his father, the older Mr. Herak said: "I would be happier if he had simply killed me, and gone to prison for it. Now, I am slive and tortured by what my boy has done to innocent people."

"They helped me, Mushims," he said. "They were very good to me as people. Everywhere I went, Muslims belped me. They are a very correct people."

manders told fighters that Muslims, who accounted for 44 percent of Bosnia's prewar population of 44 million, were planning to de-clare "an Islamic republic" in Bosnia, which became independent of Yugoslavia under a Muslim-led government in April, just as the Sarajevo siege began.

According to these accounts, Mr. Herak said, Muslims would also

voices in the basement and went

for."

Often Mr. Herak's account rina back to the Sonja cafe, a motel and

murder of the women. "It was always the same," Mr.

Mr. Herak said this was understood to mean that the women should be killed. He described ho

"We stopped by a small bridge, and I told her to get out. She walked about three meters away from the car, with her back to me, and I just shot her, I think in the upper back or the back of the head," he said, showing how he fired from the hip, once more wift-out taking aim. "I went to her, just to be sure that she was dead." He said some of the women had

bushes to hide them from the Serbian military police, who he said were feared among the Serbian fighters. He said that he went to the motel

To subscribe in Switzerland 155 57 57

INTERNATIONAL BAPTIST CHURCH meets at Trov. des les Corts, 340-344, 2, Sunday worship 11:00. Dr. Jack Robinson, postor, phone 410 18.61. Tracing his family's history, the older Mr. Herak noted that his mother was a Croat and that his COPENHAGEN BREMEN INTERNATIONAL CHIRCH of Copenhogen, 27 Fervergode, Vortov, near Radius, Study 10:15 & Worship 11:30, Jack Hustad, Postor. Tel.: 31 62 47 85. INTERNATIONAL BAPTIST CHURCH (Eng. BONNV KÖLN lish language) meets at Evangelish-Freikinch-lich Krauzgameinde, Hoberlohestrasse Her-mann-Base-Sitr. (around the corner from the THE INTERNATIONAL BAPTIST CHURCH OF BONN/KOLN, Rhemou Strosse 9, Käln. Worship 1:00 p.m. Colvin Hogus, Postor. Tel.: (02236) 47021. danghter, Ljubinka, 30, is married to a Muslim, Nezad Jankovic, who PRANKFIRT TRINITY LUTHERAN CHURCH, Nibelangen Allee 54 (U-Bohn 5), Sunday School 9:30, worship 11 a.m. Tel.: (069) 579478. is a taxi driver fighting in the Bos-RIMANUEL BAPTIST, MADRID, Hernandez de Tejoda, 4. English Services 11 a.m. -7 p.m. Tel.: 407-4347 or 302-3017. nian forces. The couple have a daughter, Indijana, who is 7 and is now living with her mother in Skopje, capital of the former Yugo-slav republic of Macedonia. INTERNATIONAL BAPTIST CHURCH of Brus-sels welcomes you to join our English-speci-ing. Orist-centered fellowship with an octive Youth Ministry located near the international cirport, Sundery School and Bable Study 9-45 a.m. Worship Service 11:00 a.m. and 6:00 p.m.-Lange Elistract 78, 1970 Westersbeek-Oppen, 02/731.12.24-Postor Ulrich Oolder. BUCHAREST MUNECH EV. LUTHERAN CHURCH of Geneva, 20 rue Verdaine. Sunday worship 9:30, in German 11:00 in English. Tel: (022) 310.50.89. INTERNATIONAL SAPTIST CHURCH, Stroda Papa Rusu 22, 3:00 p.m. Contact 84 Richardson, Tel. 010-91-61. INTERNATIONAL BAPTST CHURCH OF MANICH, Holzstr. 9 English Language Ser-vices, Bible study 16:00. Worship Service 17:00. Postor's phone: 690 8534. LONDON Speaking of Indijana, who like tens of thousands of people in Sa-AMERICAN CHURCH in London of 79 Tottenham Court Road, London WI, SS of 945 c.m. & worship of 11 c.m. Goodge street tabe; Tel: [01] 580 2791. PARTS and SUBURB FRANKFUR AANUEL BAPTIST CHURCH, 56 Rus rajevo has a combination of Serb, Muslim and Croat forebests, the younger Mr. Herak said, "I love her Son-Rassus, Ruel-Malassica. An evan-gelical church for the English speaking community loosted in the western suburbs. S.S. 9:45; Worship: 10:45. Children's Chards and Nursery. Youth ministries Dr. B.C. Thomas, poster. Cell 47:51:29:63 or 47:49:15:29 for information. CHRIST THE KING. (Episcopal/Anglican). Sebastian-Rinz-str. 22, U1,2,3 Miquel-Allee. Sun. Holy Communion 9 & 11 a.m., Sunday School and Nursery 10:45 a.m. The Raval BUDAPEST International Baptist Fellowship, If Bimbo u. 56 Incin entrance Tapolesanyi u. 7, immedi-ately behind front entrance). 10:30 Bible study. 6:00 p.m. Joel Jenkins, postor. Tel.: 115 8759 & 115 811 c. Reacted by bus 11. INTERNATIONAL COMMUNITY CHURCH services of Rydens School, Herikans, Surrey, Sunday School of 10,00 a.m. and Worship of 11,00 a.m. Active Youth Program. Tel.: (0932) 868283. Subsect and Nursery 10:45 c.m. David Ratelif (069) 55 01 84. more than anything else in my life, Indijana." He said he had had nothing but MOSCOW INTERNATIONAL BAPTIST FELLOWSHIP, 6:30 p.m., 123 ev. do Moine. Mª Goité. Neor the Tour Montpornosse. The evening service of Emonosule Baptist Church. Call 47.51.29.63 or 47.49.15.29. MADED BULGARIA good relations with Muslim neigh-MOSCOW PROTESTANT CHAPLAINCY, COMMUNITY CHURCH, Worship and Church-School at 11:00 a.m., Padre Damion 34, [August, Orense and Gen. Yogue). In-ternational, English Speaking. Tel.: 320-INTERNATIONAL BAPTIST CHURCH, Sofio, Hotel Vitosing, 100 An Ivenov Blvd. Worship 11:00. Chorles Currie, Postor. Tel.: 704 367. bors in Pofalici, who had invited UL Ulafa Palme 5, bldg. 2 11 a.m. S.S. Tel.: 143-3562 the Herak family into their homes for Bajram, a major Muslim festi-val here, and had been invited each American Latheron Church, Fritznerigt. 15 Worship & Sunday School 11 a.m. Tel. (02) 44,35.84.

In Surprise Turn, A Somali Warlord Approves U.S. Move

By Jane Perlez

New York Times Service MOGADISHU, Somalia — In an uncharacteristically conciliatory sture, the most recalcitrant warlord in Somalia said Friday that he welcomed the U.S. initiative to protect food convoys for the starving. But he played down the central element — the offer to deploy troops under the United Nations

The warlord, General Mohammed Farrah Aidid, who in the past year has launched his fighters across central and southern Somalia and who had threatened to send UN troops home in body bags, told a news conference here that he viewed the American move as

At the same time, he said that military intervention would "not solve the problem." Officials said the remark was likely more facesaving than serious, however.

General Farrah Aidid pointed to the economic and political benefits that he said would accrue from a U.S. presence in a country devastated by clan warfare and famine. Relief officials say several hundred thousand people have died.

The main obstacle to improving the plight of 2 million hungry So-

SOMALIA: Europe Is Wary

(Continued from page 1) offered a more favorable initial response, describing it as being "in

the right direction." "The simution in Somalia is intolerable, a solution must be found to end the sufferings of the Somali people," the spokesman said. France has no intention of staying

But officials of international relief agencies based in Europe warned that any large-scale securi-ty operation for famine relief would be unsuccessful without the cooperation of warlords and clan leaders who are in effective control

of many parts of the countryside, Amanda Barnes, a spokesman for Save the Children, a British agency that is feeding 30,000 people in Mogadishn, said the idea of flooding Somalia with foreign troops amounted to a "knee-jerk reaction" that could result in more

harm than good. "If troops are to be used at all --needs to be done about security it requires extreme sensitivity to the situation on the ground," she said.

So far, the United Nations has deployed only a contingent of about 500 lightly armed, Pakistani peacekeeping troops inside Soma-lia, but they have been able to do little to protect relief shipments.

The Pakistanis are the first wave of 3,500 peacekeeping troops com-mitted to Somalia by the United Nations. Contingents from Canada, Belgium, Egypt and Nigeria have yet to arrive.

If the United States does agree to provide the troops as part of a

force, it is not clear which other allied nations would sign on.

looting by clan gangs, many of them led by General Farrah Ai-did's men, for food destined for the

If the general did not challenge the U.S. military, UN and other officials here said, the task of opening the port and airport for food deliveries and protecting convoys

would be simpler.

They added that if the general desisted, 5,000 rather than tens of thousands of troops would be able

Foreign officials and Somalis in-terpreted the warlord's comments as a sign of his growing military and political weaknesses within the ever-moving clan alliances in Somalia. Last mouth, his forces were defeated at an important rural base, Bardera, and he appears about to lose control of a major coastal city, Kismayu.

Officials here said General Parrah Aidid, who at best might have several thousand fighters, armed with machine guns and some antiartillery, had no chance of ob-structing the tens of thousands of well-equipped troops that the Bush administration said could be sent

A UN official said the reaction of a senior person in the general's group was: "We had better swim with the tide. We have no chance against 20,000 to 30,000 troops."

The nearly 400 foreign aid workers in Somalia, who have been striving under very poor security conditions to feed the starving, appeared relieved that General Farrah Aidid had gone out of his way to pledge their safety. There had been fears among some workers that they might become targets of more vio-lence if the U.S. troops were imposed against the general's will,

Administration officials say the White House decision to offer soldiers to lead a larger UN contingent had been based in part on the premise that the death rate from starvation among Somalis was in-

But senior humanitarian officials who have worked in Somalia throughout the crisis disputed this. They said that the deaths had dropped from thousands a day in May, June, July, August and Sep-tember to hundreds a day now.

This was because so many weak people had already died, but also because the humanitarian effort of the past month had made a difference despite obstruction by looters.

The head of the International

and we accept that something Red Cross operation here, Peter Stocker, said he believed hundreds of thousands had died last year and this year, mostly women and chil-

> In Baidon, the epidenter of the famine, the death rate reached a high over 300 a day in September. But it has dropped below 100 a day this month, Mr. Stocker said.

In Bardera, the death rate soured over 200 a day in September as thousands of people struggled in from the countryside. The death rate went down in early October but soared again to over 200 after General Farrah Aidid was evicted and aid workers were evacuated.

Two weeks ago, however, the daily death toll dropped to just about 100 a day after a new airlift began, the Red Cross said.



Doctors explaining dosages of medicine to a Somali who had just arrived at a feeding center for famine victims in Mogadishu.

Vienna Fire Destroys Part of Hofburg

VIENNA — Fire engulfed part of Vienna's imperial Hofburg on Friday, and intense heat destroyed an ornate hall that witnessed the beginning of the end of the Cold War.

The fire, which may have been started by smoldering material left after maintenance work, turned the Redoutensaal, the hall where Soviet and U.S. leaders signed the 1979 SALT treaty, into a charred, roofless bulk.

Grooms sleeping downstairs near the stables of the Spanish Riding School were alerted by fire alarms and managed to lead all 69 of its Lippizaner horses to safety. The fire destroyed a priceless part of Aus-

tria's cultural beritage," Finance Minister Wolfgang Schüssel said. He vowed to seek

tions of Habsburg monarchs, date from the 13th century. More than 350 fire fighters were rushed to

the scene, but they were unable to save the 18th century Redonter When the inferno threatened 192,000 irre-

placeable volumes in the adjacent National Library, squads of policemen standing three to a ladder cleared the most-threatened shelves. . The bbrary was saved, but damage to the prawling Hofburg was estimated at \$100 mil-

Like Britain's Windsor Castle, heavily damaged last week by fire, the Hofburg was not

sures would have been too high.

Parts of the Hofburg, residence for genera-Unlike Windsor, it was fitted with fire alarms. They sounded in the nearby treasury rooms, where the crown jewels and other pre-

cious heirlooms of empire are kept. Amid the dismay on Viennese faces as crowds surveyed the smoldering ruin, there was clear relief among the people that the Lippi-zaners were saved. The animals stood blanketed in the cold, sunny weather in a circle around a fountain in the Volksgarten park, munching on hay carried out to them by passers-by.

No important art treasures were lost in the fire, officials of the state national heritage office said. Two minor tapestries were destroyed.

Britons Welcome Queen's Tax Offer

LONDON — The offer of Queen Elizabeth II to pay income tax was widely welcomed Friday by a public that has been calling for a cheaper and more modern monar-

said the pledge was a token gesture that might not restore the populari-ty of the House of Windsor and might not even raise much for the

It took Britain by surprise Thursday when the government an-nounced that the queen would abandon the sovereign's tax ex-emption and pick up the bill for the public duties of most of her family. 'Wbam Bam! Tbank You Ma'am," said the Daily Star newspaper, summing up widespread as-tonishment that the monarch had acted with such seeming prompt-

Anger had been brought to a peak by the buge bill anticipated for restoring Windsor Castle, which was damaged in a fire last week. But the question was how big next year's tax bill would be for the queen. Estimates of her income

ness to quell public resentment.

vary wildly, from as bitle as £1 million (\$1.5 million) a year to the same amount a month. The government says the details are still being worked out, but the queen is expected to make only a voluntary payment, which, like her bank balance, might not be di-

vulged to the public. Harold Brooks-Baker, publishing director of Burke's Peerage, ad the queen's decision had saved

"The public's animosity toward off a separat the royal family has grown out of vate estates.

the monarchy.

believe it would have been only a matter of time before we faced a republic," Mr. Brooks-Baker said.

Others were less sure that the renunciation of a tax privilege dat-ing from the 1930s would be enough to stem a tide of irreverence about the royal family's marital

Tony Benn, a former Labor min ister and a longtime opponent of the monarchy, said the queen's decision just shows what public pressure can do."

"This may not be the end of the monarchy," Mr. Benn added, "bot perhaps now people are beginning to question its existence.

The Times, once the loyal voice of the British establishment, said the changes were small and should give little encouragement to those who want a "miniature monarchy." Under the new financial arrange

ment, the state's annual subsidy to the royal family will be cut to cover just the queen and two others, at a saving of less than £1 million.

Those thrown off the royal payroll - such as the hard-working Princess Anne - will have to have their immediate expenses paid by the royal household, but their official travel will still be covered by

The list of royals supported by the state would include only the queen, who gets £7.9 million of the total now; ber husband, Prince Philip, and her mother, Queen Elizabeth the Queen Mother, widow of George VI. Charles and Diana, the Prince and Princess of Wales, live off a separate income from his pri-(Reuters, AP)

IT'S NOT JUST

These days, you can call on your AT&T Calling Card to do more things from more places

A CALLING CARD,

than ever before. Together with AT&T USADirect* Service, the Card lets you dial direct

IT'S A GREETING CARD,

or access an English-speaking operator who can complete your call to the U.S. or to

IT'S A SHOPPING CARD,

any of over 45 countries with new AT&T World Connect™ Service. Use the Card to keep

IT'S A BUSINESS CARD,

up with your family and friends. To call and order clothes from your favorite store.

IT'S A FAX CARD,

Or to check in with your bank. You can fax with it, set up conference calls, even get

IT'S A CONFERENCE CARD,

translation services. All at AT&T's economical international rates. And all itemized on

IT'S A TRANSLATION CARD.

one monthly bill." Apply for your Card by phone. Call AT&T collect anytime at 816 654-6688,

IT'S A SAVINGS CARD,

Extension 6192. We may call it a calling card, but you'll find you can call it a lot more.

AND IT'S FREE.



THE AT&T CALLING CARD.

To apply; call AT&T collect at 816 654-6688, Ext. 6192.



To access AT&T's new World Connect* Service and AT&T USADirect* Service, dial the code for the country you're in:

ses Berlin and Legary. Aread second deal long.

Aread second deal long.

Aread second deal long.

Abortion Debate **Unabated in Ireland**

By James F. Clarity
New York Times Service

DUBLIN -- Women elected to the new Irish Parliament said Friday that they would press the legislature to reconsider the issue of whether the abortion law should be further liberalized.

In a national referendum on Wednesday, voters approved two liberalizing proposals, but defeated a third, leaving this predominantly Roman Catholic country divided on the issue and unsure what kind of abortion law it will eventually

In the balloting, voters approved by margins of about 3-to-2 pro-posed constitutional amendments that guarantee the right to abortion information and the right of wom-en to travel abroad for abortions, as an estimated 4,000 Irish women already do each year. But they defeated, by about 2 to

idment that would have inserted in the constitution a provi-sion stipulating new conditions for legal abortion: "It shall be unlaw-ful to terminate the life of an unborn unless such termination is necessary to save the life, as distinct from the health, of the mother where there is an illness or disorder of the mother giving rise to a real and substantive risk to her life, not

being a risk of self-destruction." In the campaign before the vote, that amendment was opposed by both sides, one side feeling that it provided for immoral but legal abortion; the other feeling the amendment did not go far enough in giving women access to abortion.

On Friday night, the justice min-ister in the old government, Pa-draig Flynn, said the new Parlia-ment, scheduled 10 convene Dec. 14, should consider new abortion legislation as an urgent matter, adding "we will have to legislate in a very careful, sensitive way." Mr. Flynn may lose his ministership but he will be a member of the new

Pressure for the new Parliament, elected Wednesday, to take up the abortion question came almost im-mediately from two of the 14 women elected among the 166 members of the new Dail, as the legislature is known, where there were only 13 before the election.

In the election, the biggest gains were made by the Labor Party, which appeared to be in a position to determine the composition of a new coalition government. One of the new Labor members, Eithne Frizgerald, who won in Dublin, said the language of the defeated amendment had outraged women and would have to be taken up again soon

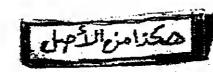
Senator Des Hanafin, the he of the Pro-Life Campaign, which considers abortion murder and campaigned against all the amendments, repeated his proposal that the new government hold another referendum in which people wolld be given a choice between a vote categorically against legal abor-tion, or in favor of bberalizing the law that came in a Supreme Court decision last February.

In that decision, the court rules in the case of a 14-year-old girl who said she had been raped and wanted to go to London for an abortion The government forbade her, causing an international uproar; the court overruled the government after the girl's doctors and lawyers said she was suicidal. That meant, most legal experts agree, that limit-ed abortion had been legalized in Ireland for the first time.

On the second day of counting about 7 million paper ballots, offi-cial results indicated that Dick Spring, 42, the head of the Labor Party, would be in a position to determine which of the major par ties, Fianna Fail or Fine Gael might head a new coalition govern

With 133 of the 166 contests decided, projections were for Fianna Fail to have 71 seats, or 13 fewer than necessary for a simple major ity, Fine Gael, 45, Labor 33, Progressive Democrats 10, the rest to smaller parties and independents.

Pa



Herald Tribune.

START Cannot Wait

Although the world now has an unprece-dented opportunity to make radical cuts in its nuclear armories, that opportunity is going to fade fast. The former Soviet republics have been eager to negotiate deep reductions in nuclear strength, but that eagerness is being eroded by rising friction among them, aggravated by remascent nationalism and economic strain. Nothing will happen without American leadership. But Washington has called a time out for two months while it prepares for an inauguration, and then for two or three months more while the new administration gets organized.

Two senators, Sam Nunn, Democrat of Georgia, and Richard Lugar, Republican of Indiana, have just visited the four states that have Soviet strategic missiles — of which, they want to remind you, there are still thousands aimed at American targets. In those four states - Russia, Ukraine, Belarus and Kazakhstan - they found a great willingness to work out serious and substantial arms control agreements. But the two senators brought home one simple and urgent message: Move fast.

The rest of the world, and particularly the turbulent and troubled part of it that used to be the Soviet Union, is not going to observe the Americans' time-out. The openings that present themselves today may not exist by Jan. 20, let alone by next spring. The ques-tion is whether the fading Bush administration is capable of action. There is no American ambassador in Moscow. An excessively autumnal mood of depression and passivity seems to have settled over the White House

The two senators called on President George Bush to make one last effort which, if it succeeds, would produce a genuinely his-

toric achievement and a much safer world Both Russia and the United States have now ratified the START agreement, with its large reductions in strategic weapons. But will Ukraine ratify it? Ukraine says that it needs both help with the costs and guarantees of its security. That will require vigorous American diplomacy. Beyond that, the negotiations on the details of START-2 have slowed to a standstill. That is the agreement for further drastic cuts announced in outline last June by Mr. Bush and President Boris Yeltsin of Russia. Senator Nunn, who is chairman of the Armed Services Committee, and Senator Lugar say that the first START could be in force by Jan. 20, and negotiations on the second could be completed. To accomplish that will require much

more than a narrow technical deal between arms control experts. There are broad economic and financial issues to be address The technical issues cannot be resolved without at least some indication of the interna-tional security system that will protect each of these new states, if they give up their nuclear weapons, from being bullied by their larger neighbors. Over the past two years the danger of nuclear warfare has dropped to the lowest point since these fearful devices were invented. But that happy circumstance could reverse itself very fast if, in the unsettled conditions of the new states, these weapons fell into the wrong hands. We are in a period of high risk, Senator Nunn warned. The United States can do a lot to remedy that, but the clock is ticking. "Our country and the Western world," he observed, "do not have the luxury of declaring a recess while we change administrations."

-THE WASHINGTON POST.

Sell Photos, Not Satellites

Open skies ... spies in the sky ... needle in a haystack accuracy: Cold War lore brims with stories about the astounding high-resolution photographs taken by American reconnaissance satellites from high in the heavens. It's no wonder that aller countries perk up at the idea that, in this new world order, they might buy such

satellites for themselves.

The U.S. government is weighing bids from the United Arab Emirates, Spain and South Korea to huy American spy satellites. The right answer is a fast, firm no.

Such sales might make a contribution to U.S. employment and exports — but it would be minuscule, and at a substantial risk. The photographs could be misused for nonpeaceable purposes. If Washington wants to share reconnaissance with allies, it can readily show or sell its photographs instead of selling them its satellites. That would better assure that the intelligence advances peaceful pursuits.

After the Cold War, military contractors are eager to export all sorts of arms and technology, And selling U.S. wizardry may, at first blush, seem better than giving it away. It is not clear why the would-be buyers need satellites. Reconnaissance aircraft would suffice. Satellite photography. even if transmitted instantaneously, would provide only limited coverage of a fastmoving tank war like that in the Gulf. In the days that it would take to map the battle-

field, a front could shift many miles. True, satellite photography of advancing Iraqi tanks was said to have been instrumental in persuading Saudi Arabia to accept U.S. troop deployments in August 1990. It could be used to monitor a prewar buildup or to locate strong points. But in the wrong hands, it could be used to target missiles. Such information could help prepare for an offensive, not just to defend against attack. And it could be sold to third parties.

Without control of the satellite and the communications links, the United States would lose control of its intelligence. That is why, no matter how lucrative the market may be, the sensible bottom line is no sale. To assure that spy satellite capabilities do not proliferate, the United States can cooperate with other suppliers. That is feasible. No other country has yet shown an interest in becoming a supplier. And none has satel-

lite capabilities to rival America's. Russian satellites may be cheaper but lack highresolution cameras and can remain in orbit only a few months. China's satellites cannot transmit photographs in real time. And the French entry into the military spy satellite competition is not ready.

Washington need not deny its allies important satellite intelligence. But it can accommodate them without selling satellites -THE NEW YORK TIMES.

Giving Muscle to the UN command to plan for and train troops for UN operations. 2) Have the Pentagon des-ignate one or two U.S.-based brigades for

When warring clans cause starvation in Somalia, or Serbia invades Bosnia and threatens Kosovo, the American impulse is to call in the United Nations, not send in the marines. But the UN has no military forces -- except those its members are willing to provide ad hoc. And it has no stand-

ing capacity to transport or pay them.

The UN's ability to promote peace needs to be strengthened by placing standing forces, and funds, at its disposal. And it needs a capacity to act before wars break out, through preventive deployments.

Secretary-General Butros Butros Ghali is seeking just such a capability. But the United States has been slow to respond. Indeed, the Pentagon shudders at the thought of placing personnel under a UN command. Now an independent commission offers

four sensible recommendations on how the United States might organize itself to provide military muscle for UN missions: 1) Establish a new American military

such contingencies. 3) Shift funding for UN peacekeeping operations from the State Department's budget to the Pentagon's. 4) Put two high-ranking officials, an undersecretary of state and an undersecretary of defease, in charge of America's involvement in UN and other international peacekeeping and peacemaking operations. The study panel, co-sponsored by the Car-negie Endowment for International Peace

and the Institute for International Econom ics, consisted of 30 distinguished former federal officials of both parties. They know the territory; they also have the right idea.

By giving strong backing to these propos-als, President-elect Bill Clinton could help himself, and the world, by making it easier to arm the UN to intervene in places like Kosovo before conflict turns to war.

-THE NEW YORK TIMES

Other Comment

South Africa: Whiff of Peace

So hungry are ordinary people for even a whiff of peace that this week's good news has generated a mild and perfectly under-standable bout of euphoria. The prospect of Nelson Mandela and Mangosuthu Buthelezi meeting; the more conciliatory line from the ANC's national executive; the "light at the end of the tunnel" message from the National Peace Committee - all are signs that have been sadly lacking.

Heaven knows, there is a fragility about these developments. But this is not the time to dampen hope; rather it is a time to capitalize on it, to seize the moment.

Today's good intentions, allowed to dissipate, could see the country descending even deeper into the mire. Fortunately, we don't have to rely merely on good intentions. The appalling state of the economy has finally alarmed nearly everyone. It has made the business community more responsive to its

political responsibilities; prodded the ANC into modifying its political goals and virtually abandoning its nationalization delusions; and driven home to the [governing National

Party] the folly of its brinkmanship.

The need for urgent action, for a fast-moving timetable leading quickly and inexorably to interim government, cannot be doubted. Any failure on the part of political leaders to build on this more hopeful base would amount to national betraval.

- The Star (Johannesburg).

The greatest danger surely lies in the cal-dron of social difficulties in which the 30 million blacks live, amid an unprecedented economic crisis. It is not certain that the prospect of elections offered them by President de Klerk will be enough to instill patience in those whose daily situation, despite a new political context, has not changed in the slightest since apartheid was abolished. -Le Monde (Paris).

INTERNATIONAL HERALD TRIBUNE

RENÉ BONDY, Deputs Publisher • RICHARD H. MORGAN, Associate Publisher
JUANITA L CASPARI, Adventsing Sules Director • ROBERT FARRÉ, Circulation Director, Europe International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neurlly-sur-Seine, France,

Tel.: (1) 46.37.93.00. Telex: Circulation, 612832; Production, 630698.

Director de la Publication: Richard D. Stomons

Chairman from 1958 to 1982: John Hay Whitney

Gen. Mgr. Germany. W. Lauserbach. Friedrichter, 15, 6000 Frankfurt M. Tel (1991) 726755 Th: 416721
Pres.U.S.: Michael Comm. 850 Third Ave. New York, N.Y. 10022 Tel (212) 752-3890. Teles. 427175
S.A. an capital de 1,200,000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337
© 1992. International Herald Tribune. All rights reserved. ISSN: 0294-8052





A UN Mandate to Keep — or Impose — the Peace

By William Pfaff

P ARIS — There are plenty of peo-ple in the United States who have little to be thankful for, whom it has been official policy to consider objects of economic and social predestination, people created by God to populate shenos or become "street people," and to die young and drugged.

The philosophy of the new Clinton administration is activist, unresigned to the presumed fatalities of the mar-

kemlace, so we may hope to see some change in this. But an equal fatality, and a more easily justified one, func-tions with respect to the catastrophic ives and deaths of people beyond America's —or anyone in the West's — direct contact, for whom we are not in a causal sense responsible.

Africa's famine and civil war vic-

tims, and those of wars in Bosnia and the former Soviet Union, catch our passing attention and fleeting compassion when pictures or a witness make us pay attention. But they are as simply forgotten, because what, after all, can we really do?

Beyond simple charity - money, food, medical assistance - there is more that can be done than we commonly admit, Much was written and said after the Gulf War about "new world orders," and many believed that a revived United Nations, freed of the Cold War veto, could make a serious change in international relations. A remarkable amount has been

done. There is criticism of how the United Nations has functioned in Cambodia, Somalia, the former Yugoslavia and elsewhere, but by companison with what the international community has been able to accomplish in the past, the record is not bed. However, ideas of new world order

have gone aground on the very hard problem posed by countries like Iraq or Serbia, outlaw powers yet serious and sovereign states, dangerous to their neighbors and defying interna-tional opinion, able to be checked only by major military counterforce, which other countries are reluctant to employ. But there also are simpler problems of order in contemporary international society, where a great deal might be accomplished. A recent list of "populations in

danger," published by the French humanitarian group Doctors Without Borders, lists Somalia as the place where people are most at risk today, with Sudan a neglected second neglected because neither humanitarian agencies nor the press find it easy to get to Sudan, where a struggle that is both regional and religious in char-acter has been going on since 1983, with an estimated 600,000 fatalities.

After that come the populations at risk in the Azerbaijan-Armenia struggle, the Bosnians, the Kurds, and on through a depressing list that includes South Americans (in Peru) and Asians

(in Burms and Sci Lanks), as well as people in other African countries, in-cluding Mozambique. (One could add Liberia today, and Angola should the struggle resume there.)
These risks fall into two categories.

One is when a government is at war with a dissident part (or former part) of its population. The roots of conflict usually are ethnic, communal or religious difference. There is an authentic struggle of interests or identi-ty, often a consequence of arbitrary national frontiers drawn during the imperial period.

The other case is when there is feeble government or virtually none at all, and an anarchical struggle goes on among local wariords, caught up in a fight for loot or power which has its own dynamic and from which they could not extricate themselves if they wanted. This notably is the case in Somalia and Liberia. Both cases call out for external

intervention either to impose order upon anarchy or to separate the regional or ethnic combatants. In Africa, this certainly is feasible. The combatants usually are beavily overarmed — thanks mainly to the Cold War operations of the KGB. Cuba, South Africa and the CIA — but would be incapable of serious resistance to a modern and disciplined intervention from outside, prepared to impose its own government. They are too weak, too confused, too un disciplined. Order and peace could be restored if the international commu-

This, of course, means neocolonialism. But let us give it a better name, with solid historical warranty. The institution of mandated territories was established after World War I by Article 22 of the League of Nations in order to provide government for de-pendent territories. (After World War II this was turned into the UN rusteeship system, but by then only very small territorial entities were concerned, Only Micronesia, in the

it is governed by the United States.)
The mandate system was an innovation in international law in that the mandate existed for the sake of the inhabitants of the territory and was supervised by the international comimmity, acting through the League. In most cases the provisional or potential independence of the people involved was recognized, but was subjected to the demonstration of the relative to the demonstration of their ability to govern themselves.

The mandate system should be re-vived, although with an international force directly under the UN as executor of the mandate, not an individual nation. The multinational UN peacekeeping commands are a useful model.
There are societies today in danger

of extermination. In their interest and in the interest of international community itself, they deserve to be placed under international administration and protection. We cannot remain simple spectators at the cor-porate suicide of peoples incapable of governing — or saving — themselves. International Herald Tribune. Los Angeles Times Syndicate.

Stop Tolerating the Massacre of Bosnia

DALLAS - President George Bush's offer to send a substantial military force to Somalia is twice blessed. It offers hope to the starving there. And it raises the possibility that Mr. Bush will at last take firm action on that other human and polit-

Over the last eight months Serbian aggressors have killed thousands of Bosnians, and driven hundreds of thousands from their homes, solely because of their religion. They are Muslims, and on that ground the Serbs have treated them as subhuman: Untermenschen, in Nazispeak. Anyone who thinks the Nazi com-

parison with what the Serbs are doing is exaggerated should read David Rieff's Letter from Bosnia in The New Yorker of Nov. 23. Read it, and think of the victims as Jews instead of Muslims.

Banja Luka was the second city of Bosnia, with fine hotels, theater, Bosnia, with fine hotels, theater, churches and mosques. Its mixed population.—Serb, Croat, Muslim—lived in peace. Last spring, when Serbian forces began attacking in Bosnia, they took over Banja Luka. Quickly, Mr. Rieff writes, they expelled all non-Serbs from jobs where they could make "independent decisions." That meant managers, foremen, bookkeepers and on down. The Nazi regime in Germany be-gan by barring lews from many jobs. And Mr. Rieff says that from the By Anthony Lewis

beginning in humiliation and impov-

just as the Serbs are. How, then, to identify a Muslim man? Make him thop his trousers. Muslims, like Jews, are circumcised. Serbian military attacks in what was Yngoslavia have been going on

spring against Bosnia. More than 14,000 Bosnians have been killed. The Serbs, who have plenty of weapons from the former

I get letters from people of Serbian heritage charging me with unfair-ness in criticizing Serbian aggres-sion. For them I have simple questions: Why are Serbian gunmen still attacking in Bosnia? Why are they shelling civilians? Why are they cutting the throats of Muslim children and Muslim clerics?

For nearly eight months now Serbian gumers have had the Bosnian capital of Sarajevo under siege. The city has been ruined by shelling, 2,800 people killed, almost 50,000 injured. What political cause can justify such savagery?

crishment the Serbien process of "ethnic cleansing" progressed to expulsion and killing. The Muslims of Bosnia are Slavs,

for more than a year now: hist against Croatia, then starting last

Yugoslav army, have captured about 70 percent of Bosnia.

Purope's response to all this has major countries have even refused to accept Yugoslav refugees in any sig-nificant number — with the signal exception of Germany, taken nearly 250,000. As for the United States, the Bush

administration has done its best to keep the Bosnian tragedy at anu's length. It has helped in relief opera-tions and joined a UN resolution to stop Serbian military planes flying over Bosnia. But it has accepted few refugees and rejected the idea of military action against the Serbs, explaining that the United States has no

"national interest" at stake there. That explanation has grown in-creasingly threadbare. The number of Yugoslav refugees in Germany no doubt contributed to the far-right outrages there. The religious persecu-tion and killing in Bosnia threaten stability in much of Eastern and Contral Europe — stability in which the United States has a deep interest.

Even Henry Kissinger, with his disdain for moral concerns in the disdain for moral concerns in the making of foreign policy; has now said that America should not pennit an extension of Serbian "ethnic cleansing" to the mainly Muslim region of Kosovo, ruled by Serbia.

On NBC's "Meet the Press" he said, "we are getting to the edge of what is tolerable, and the Serbs must be told that another move will produce intervention."

duce intervention."
Is killing Bosnians "tolerable"? It certainly has been tolerated. Serbian sureraft violate the UN resolution. and no one does anything. Serbs shell refugees, in violation of repeated promises, and the American government says not a word.

American action is crucial now, immediately, before cold and hunger complete the work of guns and knives in Bosnia. I still believe that President Bush can be moved to act. The alternative is to be remembered as are those who closed their eyes to Nazi persecution and murder,

The New York Times.

Lonely, Yes, But Then He Asked for It

By A. M. Rosenthal

TONDON - Americans like to think of their president as the leader of the free world — a thought that hugely amoys a sizable number of other presidents, prime ministers and the people who happened to vote them into office.

"A" leader, certainly. "Impor-tant" leader, without doubt. But, around the globe there are milions crude and ungrateful enough to be-lieve that their own leaders also are exercising some kind of role and have some use in the world

And of course, despite U.S. money and power, it was never true that the American president was the single leader. It could not be true, not while Churchill lived, or de Ganlle peered down like a great guaffe on lesser creatures, while a Thatcher or an Adereainres, while a Thanner of an Aus-namer dispensed courage, while Havel, was speaking the dreams of the captive peoples, while the mind of a Nehru-leapt across continents to make itself, felt, or Sadat and Begin leapt across hatred to make a decent peace.

But suddenly, it really is true — Bill Clinton is the leader of the free world.

The new U.S. president will have a tougher job than his predecessors, because he will be all alone out there.

And it is not only just because the leaders who shared influence with

American presidents are dead, out of power, or, like Vaclav Havel, unable to fulfill their dreams. Mr. Clinton will be alone because

their equals have not come to office.
In Europe the British prime minater seems wan and puzzled. The presideat of France is obsessed by his future biographers. The German chancellor is mable or unwilling to carry out his overriding duty: to face down, control and conquer the Nazi movement. In Central Europe top Communist hacks have taken over or

Already, realpoliticians are pecking at Clinton.

are working themselves back. Inevitable - since their nations decided not to bar top Communist hacks from office for a period of denazification.

Boris Yeitsin, who still can be a leader of a democratic Russia, is being left to hang out and freeze. The West gives him more mouth than help. And some Western Sovietologists still dream of a Gorbachev Soviet rebon. In Russia, Communists and fascists, brothers from the womb, try to destroy him. So President Clinton will be alone at a time when the United States does not have all the money in the

world, when American military might has become less mighty than the blood Justs of Balkan and African tobes. There he is, promising to keep the faith, so perverse to many bureau-crats in and out of office, that there really is a difference between democ-

racy and tyranny—yes, as he put it, from Beghdad to Beijing.

The realpoliticians, who led the world from one war to another, cannot stomach his democratic realism

They will be pecking at the man forever, trying to get him to recant.

They have started already. They decide that his restatement of belief in pressuring Communist China into human rights decencies, plus some overly polite words about Bushbaken somehow mean that he has changed his core beliefs.

But he is hardly to be pitied. Worthy leaders will rise, as one has in Mexico. What is more, Mr. Clinton has self-protective common sense. If he uses it he will pick a secretary of state as he picked a vice president somebody who will bring him exper-tise and political strength. An excellent somebody would be

Jeane Kirkpatrick — experienced, wise and intellectually expansive. Her life and beliefs would send a message around the world: America will protect its interests, and one of them is freedom.

Well, Mr. Clinton has seen free to

disregard my advice before, so he may do so again. But surely he will consult Vice President-elect Al Gore about the secretaryship, and, over the years, about foreign matters generally. He should: Mr. Gore would make a great secretary of state if he could be ex-cused from baby-sitting the Senate. And any time I think of Mr. Clinton's job and how hard it will be, I

think of Socrates Butsikares. He was an editor at The New York Times, a newsman born. Once I complained to him that all day long his news clerk had to get up and walk 20 steps whenever he wanted to talk to him. Mr. Butsikares looked up at me. "So what?" he said. "The kid came here looking for work, didn't he?"

MRLO

OYOT

10 17

 $W_{\rm ori}$

 $t_{C_{2(\widetilde{1})}}$

The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1892: Chaos at a Corrida ARPEGA, Mexico - A terrible

scene has occurred at a bull fight. A bull, maddened by its wounds, stampeded a number of other bulls and they rushed blindly at the barricade goring and trampling upon the terri-fied spectators. The latter rushed to one side of the areas to escape and the seats, which were somewhat slightly constructed, collapsed. No fewer than lifty were injured in the fall and the buils killed one person and inflicted wounds on ten others.

1917: Boys in Trenches

HAVRE - A recent rumor, which appeared so incredible, has received complete confirmation. After compelling Belgian women to slave for them, the Germans are now forcibly employing boys of thirteen and twelve years to drudge for them in the trenches of Flanders under the heaviest bombardment. The youths are only relieved for a few hours on Sundays. Several have been killed and others wounded. This explains the horry with which children are being wherever possible, conveyed out of Belginn to Switzerland and France. The Huns. however, now prevent the departure of any boys older than twelve.

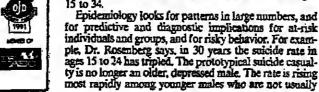
1942: Toulon Suicide LONDON - From our New York

edition:] Vichy announced the sui-cide of the French home fleet of 60 or more warships at Toulon today Nov. 27], and reported many French offi-cers and sailors went down with their ships in wild dawn battles with German boarding parties attempting to prevent the southing of the powerful armada. The Germans did not concede destruction of the fleet, which would amount to a colossal naval victory for the Allies. Berlin radio said forces overrunning the last bit of France not already occupied by the Germans, rushed aboard some wessels in time to remove the charges which would have sunk them.

KATHARINE GRAHAM. ARTHUR OCHS SULZBERGER

LEE W. HUEBNER, Publisher JOHN VINOCUR, Executive Editor • WALTER WELLS, News Editor • SAMUEL, ABT, KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor ROBERT J. DONAHUE, Editor of the Editorial Pages • REGINALD DALE, Economic and Financial Editor

Elitor for Asia: Michael Richardson, 5 Camerbury Rd, Sungapore (611, Tel. 472-7768, The RSS6928
Mng, Dir, Asia, Rolf D, Kranerpint, 50 Gloucester Rd, Hong Kong, Tel. 86-10616, Telex: 61170
Mng, Dir, U.K., Garry Thorne, 63 Long Acres, London WC., Tel. 80-80, There's Tel. 400-8071



Violence Is a Preventable 'Disease' By George F. Will

ATLANTA — Few noticed, but in 1990 the United States passed a grim milestone. In at least two states, Texas and Louisiana, the leading cause of death by injury was not motor vehicles but guns. Mark Rosenberg noticed. He is a doctor at the Centers

for Disease Control, specializing in injury prevention, particularly the prevention of violence. Violence is epidemic, and epidemiologists' skills are relevant to rendering violence a treatable public health problem.

Throughout mankind's history, the leading causes of

premature death have been infectious diseases and inju-

ries. Control of infections diseases began accelerating in 1796, when Edward Jenner developed the first vaccine, for smallpox. Since then, improved sanitation, hygiene, housing, food handling, pesticides and education have joined the inventory of disease controls. The contrast with the failure to apply scientific intelligence to the preventing of violence — self-inflicted (sni-cides) and assaultive — is marked. Violence is not a

disease, but neither is it something simply to be endured. Consider two analogies. Smoking is not a disease, it is socially costly addictive behavior, and it is demonstrably combatable. If the motor vehicle fatality rate of 1952 had been the same in 1989, 155,075 Americans would have died in vehicular accidents. But only 45,555 did, because the problem was treatable (with improved vehicle and highway design, licensing requirements, motorcycle helmet laws and other measures).

About one-third of the 150,000 deaths per year from injuries are from suicide or assaultive violence. The U.S. homicide rate for black males aged 15 to 24 ranges from 17 to 283 times greater than the male homicide rates in 17 other industrial nations. Homicide is the second-leading cause of death by injury among those aged I to 19 and the leading cause of deaths for blacks, male and female, aged 15 to 34.

Epidemiology looks for patterns in large numbers, and

individuals and groups, and for risky behavior. For exam-

depressed but are angry, frustrated, resentful, often using drugs and mable to communicate their distress.

The idea of government "treating" violence has occasionally aroused resistance on the right, which fears the rise of a therapeutic state staffed by what C.S. Lewis rise of a therapeutic state staffed by what C.S. Lewis called "official straighteners," coercive utopians trying to make something straight from the crooked timber of humanity. On the left, the suspicion is that government's focus on violence masks an attempt to control the disadvantaged by targeting racial and ethnic minorities.

The fiction that violence research is a racist plot was

fueled recently by misguided proposals for research on "genetic factors in crime." There is no behavior for which any single gene has been identified as the cause. Granted, there are interesting avenues of biological research, such as possible linkages between nutrition, brain chemistry and behavior. However, the objective of the Centers for Disease Control, Dr. Rosenberg says, is not to find a pacifying drug or any other strategy of biological intervention. The objective is the empowerment of communiries, so that they will not be passive victims.

Practical measures against violence are many: conflict-resolution skills, for individuals and adolescents' gangs; improved public lighting; bullet-proof buriers for cabdiv-ers; reduced alcohol and drug consumption; gan control; lamily life education; condemnation of entertainment that fosters cultural acceptance of violence as a response to grievances; metal detectors to deter the one in 20 high school students who today carries a gun, and so on. Today, in ages 1 to 19, more Americans die of injuries

than from all diseases combined. Up to age 44, injury is the leading cause of death. To the staggering - scores of billions of dollars monetary costs of assaultive violence must be added the costs of psychological and social dysfunction. These include fear, anxiety, isolation, restricted mobility and activity and, especially among the young, fatalistic despair—the feeling that prudent behavior is unavailing because the odds of one's situation are against longevity. Clearly the criminal justice system is inadequate to the

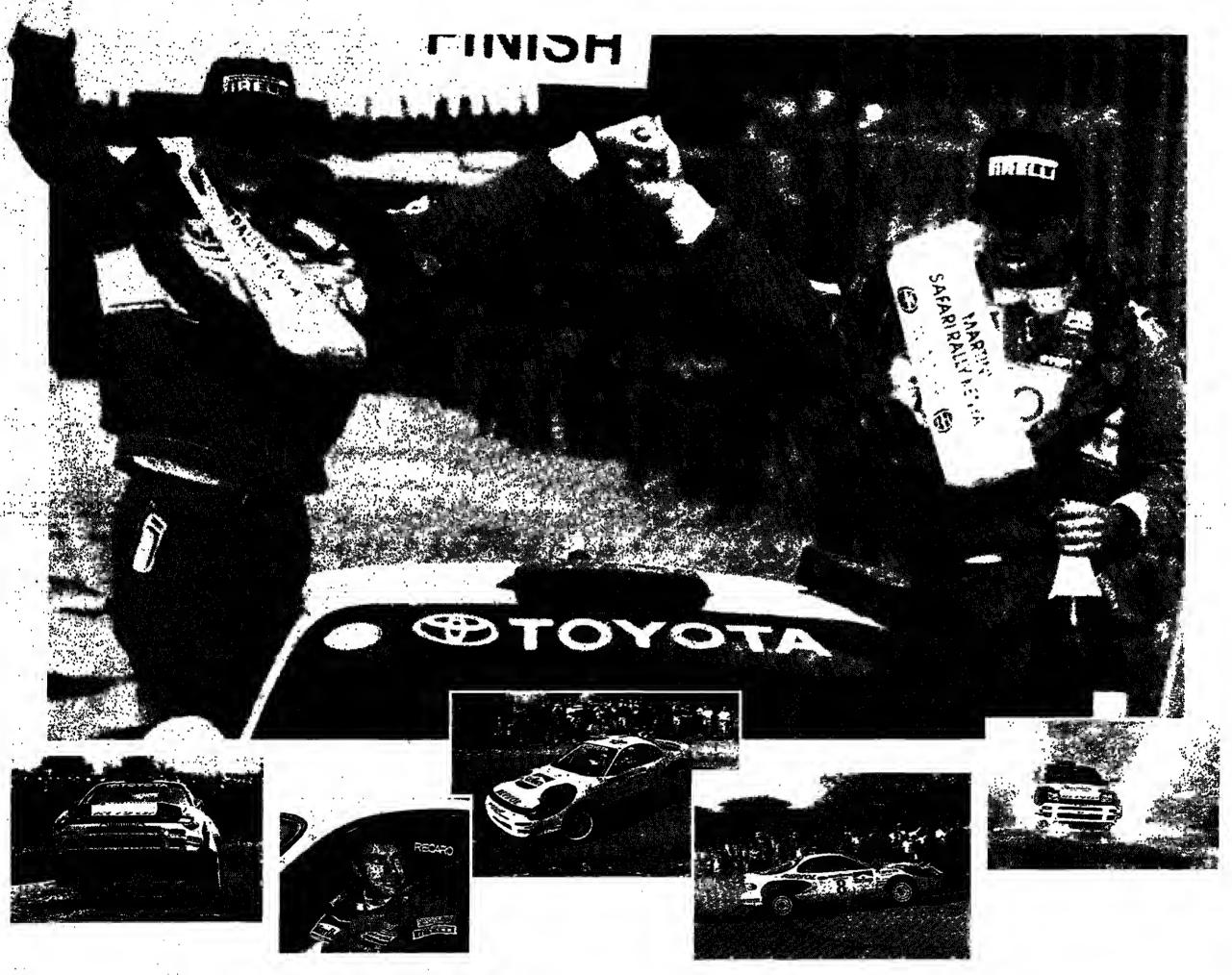
investment in improving the quality of American life, no federal funds are spent better than those that fund the research at the Centers for Disease Control. Washington Post Writers Group.

task of purning the tide of violence. So as a sound





WORLD'S NUMBER ONE FOR THE SECOND TIME



CARLOS SAINZ & TOYOTA CELICA DO IT AGAIN.

For the second time in three years, Carlos Sainz has won the World Rally Championship for Drivers in a Toyota Celica Turbo 4WD.

"In rallies, winning is never an individual achievement," says the new World Champion. "It requires the cooperation of driver, co-driver, car and team. The fact that Toyota has realised this is the key to our success."

At home, Carlos also drives a Toyota. He's as satisfied with his car "The final results will be officially announced by FISA in December. as millions of others are with their Toyotas. Advanced technology such as multi-valve engines; careful manufacturing and strict quality control ensure maximum customer satisfaction.

And after every WRC event, engineers discuss the experience they've gained about systems and components. Experience which could help make your next Toyota a better car.

Which is why we race. Because every time we race, you win.

WE RACE. YOU WIN. TOYOTA

Art as Investment: Risky Business

ARIS - How sound is art as an investment, particularly Impres-sionist and 20th-century art, so heavily advertised by auctionhouse marketing specialists in the late

For the first time in years, a sale, held Tuesday night at Drouot-Montaigne, provided a test based on one man's effort on a fairly large scale. The Paris auctioneer Francis Briest was dispersing "54 works from the collection of Alain Lesieutre" as a result of a Paris court decision. Held as collateral by a bank, the works were being sold to allow Lesieutre to repay a bank

SOUREN MELIKIAN

loan that was put by trade sources at about 22 million francs (\$4 million). The same sources believe that ao extra 8 million francs or so was required to cover tax arrears. In the event, the sale totaled 42 million ໂຄເຄເລ.

What makes it fascinating, accounting for the huge if motley crowd that came to attend the event, is the "collector's" personality. Lesientre, a former seaman and a self-taught man, has been dealing in Art Nouveau and Art Deco for three decades, with some sidelines such as animal bronzes by Rembrandt Bugatti, François Pompon and other artists of the early 20th century. His connoisseurship in his chosen field is acknowledged by all his peers. They credit him with a generally excellent eye and a highly developed business acumen. Few beginners were ever as formida-bly armed as Lesicutre, the tough professional, when he decided a few years ago to develop a new line in impressionist and

20th-century art, mainly painting.
He did not buy badly but unfortunately he overpaid. His most important acquisi-tions, if assessed by financial value, were made in late 1989 and 1990 and on these. his losses are huge. On March 25, 1990, Lesieutre was part of the large crowd at-tending the Bourdon sale of 20th-century masters, which totaled 586.1 million francs. The dealer's choice was Jean Dubuffet's "La Minaudeuse," a portrait done in the child-like cartoon fashion favored by the artist in 1950. It cost him 8.8 million francs. This was the year when every pundit in the field swore that Dubuffet was the towering figure of post-World War II years due for a meteoric rise, It is always dangerous to buy with one's ears rather than with one's eyes. This week, "La Minaudeuse" was knocked down at a more

modest 2,450,000 francs.
Ten days after the Bourdon sale, his appetite wherred. Lesieutre went his allout on a second Dubuffet, "La Calipette," dated Aug. 31, 1961, is done like an outsized jigsaw puzzle. Some cartoon-like figures enclosed to panels alternate with jocular inscriptions in block letters. A typical example reads: "Crapule Père et Fils; articles de luxe" (Scumbag and Sons, Finery). Duly hyped by Sotheby's, which had it up

tandjung

tine of Gali's best-kept secrets.

Tandging Sari was opened in

1962 and still retains its

original ambience as a private.

retient. Iwenty-six garden

30 was

---- 1962-1962---

Dietar Landilmeian no 41. Sanut

PO 150; 25; Denpasar 80001 Tel. (677) 561 (8844)

The reductor's 5793d.

Balt Indonesia

bungalows.



Detail of Dubuffet's "La Calipette" (1961).

for sale in London on April 4, 1990, "La Calipette" set a world record for Dubuffet at £2.53 million and more than doubled the Sotheby's high estimate, courtesy of Lesieutre. Had he had more experience in this new field, the Paris Art Deco dealer might have been aware that in 1987 that same Dubuffet was on offer in Switzerland at \$1.1 million. On Tuesday, it virtually went back to its 1987 level and was knocked down at 6 millioo francs.

¬ WO more examples confirmed. that the most sought-after contemporary artists of the Paris school, bought at top dollar be-tween the fall of 1989 and the spring of 1990, can now be worth as little as one third to one quarter of what they fetched at the height of the market. According to trade sources, Lesieutre paid 11 million francs at about that one to get the fine still life with a blue bottle by Nicolas de Stael that was included to this week's sale. On Tuesday, alas, bidding did not exceed million francs.

Worse was to come, proportionately, with Jean Fautrier's "Visage," a small profile in oil done in 1956. On Nov. 30, 1989. it cost Lesieutre £286,000 at Sotheby's in Loodon. At Drouot-Montaigne, this week's price was 700,000 francs plus a 3 percent charge. The Paris price is consistent with the £72,000 (plus 10 percent) at which a related portrait was knocked down at Sotheby's in June 1992. In short,

By Michael Gibson

International Herald Tribune

is a dazzling tale of rags to riches.

This is apparent in an exhibition of 40 Japa-

nese kesas, mostly 18th and 19th century, which

reveals the extreme refinement of the Japanese

silk-weaver's craft as well as the rich spiritual significance that the traditional arrangement

Buddha commanded his disciples to collect

rags, wash and dye them, and sew them together to make their clothing. His teachings reached

Japan about 1,000 years after his death and

there, as veneration for his doctrine and the

symbolic import of the kesa grew, so too did the

splendor of the material that was offered for

Ultimately, ample swathes of magnificent

silks and lampas, more often than not enhanced

with thread of gold, came to replace the modest

Paradoxically, since the monks were expected

to make their kesas out of patches, any piece of

bas brought to the material at hand.

this purpose by wealthy patrons.

rags of earlier times.

ARIS - The history of the Japanese

kesa, a shawl of complex symbolic significance worn by Buddhist monks.

Lesieutre's foray into post-World War II

art ended in financial disaster. The outcome was oot quite so unfortunate regarding Impressionists and early 20th-century painters. This is in part because some were bought before the market reached an artificially high level estab-lished through hype and a price manipulation that became glaring by the fall of

On June 23, 1986, the Paris dealer bought at a Drouot sale conducted by Patrick Dumousset, a view of a bridge at Argenteuil done in 1906 by Maurice de Vlaminck. The painting in the most aggressive Fauve style, is a blaze of red, orange and blue in small thick strokes. The price of 2,864,165 francs was substantial at a time when Pauve painting had not yet come back into its own. A year later, Lesieutre dispatched it oo a tour through Japan as part of a traveling exhibition. Oo Tuesday, it was knocked down at 5.05 million, making it a relative success story (which becomes less impressive when the interest rate of the money invested is

Another reasonable purchase was "Le Chemin de Veneux à Thomery, par le bord de l'eau, le soir" painted in 1880 by Alfred Sisley. Bought at Drouot on Nov. 28, 1984, for 2,598,800 francs (then about

\$273,000), it was knocked down on Tuesday at 3.1 million francs (about \$570,000). But here too, some of the more recent buys proved disastrous. On Nov. 21, 1989,

Venerating Buddha, From Rags to Riches

cloth or clothing that was given to them whole (the sumpruous Chinese kimono of a deceased aristocrat, for instance), had to be cut up and

sewn together again in patchwork form. Yet this

claboration, instead of spoiling some perfectly good material, actually enhances its aesthetic

quality and curiches it with a spiritual lesson.

The Chinese love of symmetry is attested by a couple of sumptuous Chinese kesas. The Japa-

nese, by contrast, have always had a marked

preference for the asymmetrical and relish this

religious obligation that leads to the breaking

up of the weaver's symmetrical patterns. The

result seems all the more attractive to us since it is, in many ways, akin to the modern spirit that,

starting with the Baroque, favors imbalance over balance and the dynamic over the staric.

Nuages" ("Cloak of Clouds") is not only a feast for the eyes and the soul, it also reveals the

spectacular appeal of an often modest art or

craft that, though dating back to prehistorie times, is all too easily taken for granted or

Precious texn'les have always been appreciat-

ed by the general public. They are intensely sensuous and decorative and, like beautiful

But the exhibition, entitled "Manteau de

Lesieutre went up to 4.4 million francs (sales charge included) to get a Degas study of a dancer bending forward, seen from the back. It is briskly done in grey and white brush strokes on pink paper, but it is not great. Briest knocked it down with difficulty at 1.5 million francs.

Ironically, the latest buy included in Tuesday's sale was the one that brought a high profit in proportion to its purchase nigh profit in proportion to its purchase price. Bought in a small Toulouse auction on June 22 this year, for 228,500 francs (including the sales charge), the small sketch in oils was done by the young Toulouse-Lautrec while still at the lyces. On Tuesday it rose to 380,000 francs, plus the 3 percent sales charge. No art collector would really be known to set it Alberton. would really be keen to get it. Although skillfully done, it bears no relationship to the style later developed by Toulouse-Lau-

tree the artist. It was a lucky gamble. Assessed on the basis of what was inchided in the sale, the dealer's attempt at building up a group of Impressionist and 20th-century masters thus ended in a cost-

Yet, the sale was well handled thanks to the role played behind the scenes by the international broker Marc Blondeau.

For many years, Blondeau was the lynchpin of Sotheby's operation in Im-pressionist and Modern Masters in the United States before becoming head of Sotheby's Europe and eventually setting up on his own. Blondeau said in an interview that he was determined that the auction should go as well as possible (or the sake of the Paris art market. No expert's name appears in the catalogue. But it was Blondeau who finetuned the estimates. Not least, on D-day, he sat at a deak with his assistant, near the podium. Manning a battery of telephones, they took bids from bis worldwide network of clients and saw safely through roughly one third of the

HE Paris (actor also helped. There is a vast public of private buyers here, rarely seen in London. A collector who had never yet been seen to be bidding at auction bought the large de Stael still life and Fautrier's "Visage

As in any such sale where there are oo reserves (or minimum price below which the work is not allowed to go) on individnal lots, there were one or two excellent buys to be made. The prize goes to the Swiss dealer Daniel Varenne, who bought two small de Staëls of 1952, both on the fine edge separating figural evocations from total abstraction. The "Honfleur" view, only 13.5 by 22 centimeters, which was knocked down at 400,000 francs, is a billionaire's dream of a sophisticated Christmas present.

Tuesday's sale probably signals the end of investment ventures by nonspecialists for quite some time. But it also proved that the market is picking up on a realistic price level. Private buyers have taken over and nothing could be bealthier.

women in certain societies, they are often all at

once admired and underestimated. As a result

(and in either case), it is a whole facet of culture,

graphic point of view, but also from that of

their extremely complex techniques, their symbolic and ritual significance and their historical

textiles with impseums and universities around

"Manteau de Nuages: Kesa Japonais," at the Musée Guimet to Feb. 15.



Schlemmer's "Bauhaus Staircase" (1935) is among the MOMA works now in Bonn.

A Bit of MOMA in Bonn, With Breathing Space

By Michael Lawton

ONN — As you walk into the main gallery of the Federal Art and Exhibition Hall in Bonn, there are more than 30 uninterrupted meters (about 100 feet) between you and Fernand Leger's majestic "Three Women" of 1921; it must ern Art in New York in 1942. And, there's oo doubt, Leger can take it.

with its rich and intricate implications, that On the left wall, Max Becksuffers from oeglect.

This is a situation that Krishna Riboud, founder, in 1981, of the Paris-based Associamann's disturbing triptych "The Departure" (1932-33) is given the respect it deserves, surrounded by 600 for the Study and Documentation of Asian other great paintings of the Ger-man Expressionists instead of dec-Textile and owner of the kesas of this exhibiorating the lobby as in New York. "It is high time," she says, "that textiles cease being considered as merely decorative materi-als, and be examined not only from an icono-

These are two of the 70 works from MOMA currently in Bonn. While MOMA hosts a huge Matisse retrospective for which it has had to clear out its permanent collection, these 70 works have been saved the iodigoity of being stacked in the cellar.

The center she founded has won widespread recognition and coordinates studies on Asian Instead, this sample of the modern classic collection of MOMA It also has at its disposal 3,000 specimens of Asian textiles assembled by Krishna Riboud, and has already published a number of technifrom 1887 to 1956 — a snack of delicacies from the New York banquet - is displayed in the wide open spaces of the new Exhibition Hall, allowing a different perspec-tive on works which we are used to seeing in the much more cosy and

ty has been used to draw attention to strengths of the MOMA collec-tion which are less well known.

II. Italian Futurism, which had early Mark Rothko (most of his to see the painting from quite so far was unfashionable in Europe, and away since the picture joined the collection of the Museum of Modprices. MOMA now has a better collection than any Italian museum and some of the best is on display io Bonn. Umberto Boccioce's works, which look like those of a futurist Rubens — geoerously physical, but abstracted into movement - or Gino Severini's "Armored Train in Action" (1915), with its anonymous soldiers in an ice blue train exploding into the warmly colored landscape, hold

their own against more frequently

anthologized works. But it's those works which most people will go to see, and there the selection - how could it be otherwise? - is not perfect. The muse-um's Matisses had to stay home for the big show, and Matisse is perhaps one of the cornerstones of MOMA's collection. The other is probably Picasso, and MOMA's most famous Picasso, "Les Demoiselles d'Avignon," has also been kept under house arrest. It is, said Kirk Varnedoe, MOMA's director of paining and sculpture, one of those works which the tourist expects to see on a visit to New York. The tourist must oot be disappointed: works like the "Demoiselles"

but there's plenty in Bonn to enjoy; six first-rate Picassos have crossed the Atlantic, including "Ma Jolie" (1911-12), where Cubism moves almost all the way to abstraction, and the disturbing army-carronal problem "I'm and the disturbing army-carronal problem "I'm and the disturbing army-carronal problem". tion, and the disturbing army-cam-oullage "Harlequin" (1915) with its vicious grin, painted as Picasso's lover lay dying and his friends were going to war. Picasso contributes the

and Jacksoo Pollock's monumental

cramped surroundings of their most works, but the collection's New York home. Most of them are strengths in other modern European familiar from greeting cards and classics, from Gauguin, van Gogh calendars, although the opportuniare also well represented.

The exhibition is less confident in its selection of American art, includ-Italian Futurism, for example, is ing an early Pollock (the later ones, well represented. After World War are too fragile to travel), a fairly masterpieces come after the cutoff date), a striking but extremely un usual Barnett Newman ("The Wild" of 1930, nearly three meters high, but only 4.1 centimeters wide) and an Edward Hopper ("New York: Movie," 1939) which, in this context, doesn't look as if it belongs with the rest of the art of this centu-

> While the European traditions which are explored in this exhibi-tion have reached their height well before the cutoff date, the American tradition is still flowering, and the cutoff date (the death of Jackson Poliock) seems arbitrary.

Pontus Hulten, artistic director of the Exhibition Hall, who chose the works, describes MOMA as a European museum; and indeed its foundation in 1929 was inspired by the Bauhaus idea of establishing a temple to the modern spirit, not just in art, but in all areas of human

SKAR Schlemmer's cool "Bauhaus Stair-case" (1935) is a tribute in this selection to that indebtedness. But not only are MOMA's substantial collections in the fields of architecture, design and photography left out the cen-tral role of the Museum of Modern drip paintings are being shown in Art in collecting contemporary MOMA's temporary galleries.

Art in collecting contemporary American works is also ignored.

enough remains of the spirit of the original to whet the appetite for one's next New York trip.

Michael Lawton is free-lance writ-

auction sales -- IN FRANCE-

PARIS DROUOT RICHELIEU

9, Rue Drouot, 75009 Paris - Tel.; (1) 48 00 20 20. — Monday, 30 November —

Reserve a par Tream Atom fermillent scollection." PAINTINGS BY THE SCHOOL of Scient By Industry, constant scallent for PAINTINGS BY THE SCHOOL of Scient, Industry, constant Delater, Santika 28 and Sanday 20 November 14 and 10 pm and 2 pm to 10 pm At Demot Rachebea, Menday 50 November 14 and 10 or pm 101/DMER, 7, rue Russini, 75009 Paris 14 pm 101/DMER, 10 pm 101/DME

Room 11 at 2.15 perc PRIMITIVE ARTS Africa, Americas, Oceania, Esquiman objects reflection (101) DMFR 1, the Rossini 2009 Paris. Tel., 11) 44 79 50 50 fax (1) 13 20 60

RISON 10 or 2 to pm. PAINTINGS, MODERN and CONTEMPORARY DRAWTINGS and SCHUTTURES Amour des "Frires Repoulin", Graffici et Figuration intra United to Recember, II am 10 to pm.

(Alberton CHARRONNEMEN 194, rue du Fg Sant-Honoré, "908 Paris Tel.: 11 1/2/2010 S. Fax 11/1/2/2/2" — Tuesday, 15 December —

Right 10 at 2 pm IMPORTANT OLD PAINTINGS, XVIIIth contary FURNITURE and ORDERS D'ART CONTURIER NICOLAY 10, nor FURNOSSIE, 7000 Paris. Tel. (14-4) 202-14 Eas. (11-49-202-2). Rates 1 is 2 to pro-OLD PAINTINGS, CERAMICS, FURNITURE and OBJETS
15.AST Public carring at automore's from Tuesday 8 to Thursday to December 10 a.m.
16.1 p.m. 5. p.m. 6.0 p.m. At Douart Monday 14 December, 11 a.m. 166 p.m. Caralogue
16.1 p.m. 5 p.m. 6.0 p.m. 5 p.m. 6.0 p.m. Caralogue
16.1 p.m. 5 p.m. 6.0 p.m

DROUOT MONTAIGNE
15, avenue Montaigne. 75008 Paris-Tel.: (1) 48 00 20 80.

---- Friday, 11 December -IMPORTANT OLD AND MODERN JEWELRY. Public viewing in Drogor Montaigne Thursday to December 11 am in 10 pm. Frida 11 December 11 am to Lpm. Calabridos ou respect form aucriorece's FF outst LOUDMER. ", me Rossins Serv Paro Tele 11 to 5050 Fax (1) 44 705051.

PAVILLON GABRIEL 5, avenue Gabriel. 75008 Paris - Tel.: (1) 42 68 18 1B.

Tuesday, 1 December -At 5 p.m. (GREAT PORC) WINES Public viewing at Pavillon Gabriel from 4 p.m. (CNDMER 7, 16c Rossin, 1900) Paris, Tel. (L. 44 % 50 50, Fas. [1], 44 79 50 51. **ART EXHIBITIONS**

the world.

WINTER EXHIBITION OF 17TH CENTURY DUTCH AND FLEMISH OLD MASTER PAINTINGS 1ST -23RD DECEMBER 1992 CHRISTIAN LUYCKS

Johnny Van Haeften 13 Duke Street, St James's, London SW1Y 608 Telephone 071 930 3062, Fax 071 839 6303



26, rue Bonzparte, 75036 Paris, Tej.; 33 (1) 43.29.30.60. Fax: S3 (1) 43.25.33 95. Toll free: 33 (1)05.00.50.93.

tion, is determined to correct.

and sociological import."

PARIS

Galleries International: New-York - Chicago - Palm Beach - Paris 2, avenue Matignon - 48, avenue Gabriel, 75008 Paris. Tel.: (1) 42 25 70 74

Tuesday to Saturday: 10 a.m. - 1 p.m. - 2:30 p.m. - 7 p.m.

-ANDRÉ HAMBOURG-

DRAWINGS

4 NOVEMBER - 23 DECEMBER 1992 GALERIE ÉTIENNE SASSI

🚅 69, RUE DU FBG-SAINT-HONORÉ • 75008 PARIS 😅

NEW YORK

PRE-COLUMBIAN + LATIN AMERICAN ART re Arts of Ancient Lands Inc

"ART EXHIBITIONS" "ANTIQUES" "AUCTION SALES" appear every Saturday

Booty at the Hermitage

he crammed a suitcase with sketch-es found in the basement of a Ger-This is the first time the Hermit-

the contents of that suitcase are until mid-January.

and the second of the second s

New Yark Times Service
T. PETERSBURG — The night before a Red Army officer. Viktor Baldin, or Toulouse-Lautree, Degas, Rodin, dered his troops back to van Gogh and many other German, Russia at the end of World War II. ttalian, Dutch and French artists

man manor 50 miles (80 kilomters) age bas shown war trophies that orthwest of Berlin.

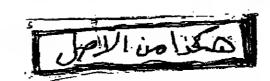
After nearty 50 years in storage, vast basement. The exhibition runs

1

ANTIQUES

OCT. NOV. DEC. EXHIBITION/SALE JAPANESE SWORDS & SWORD FITTINGS FLYING CRANES ANTIQUES, LTD.

Outstanding collection of rare blades, devisio, tentos & Laureus. Stanto blades by ECHIZEN-YASUTSUGU, daisho by RAI NOSUYOSHI & HIZEN TADAYOSHI, Koto Latenas by SIZEN NORIMITSU, SATSUMA MUNEYUKI, KANENAGA, Rare examples by GASSAN SADAKAZU. Also, tsuba & savini littings, armor, beliners, bows, arrows, quivers & more. FLYING CRANES ANTIQUES, LTD. 1050 Second Avenue, N.Y., N.Y. 10022 Tel.: (212] 223-4600



AN ECONOMIC WATERSHED

Italy has been going through trying

times. Its new prime minister has been

forced to introduce strict new mea-

sures to control the economy while

attempting to avoid public-opinion backlash. This tightrope walk calls for

deft footwork and a very finely tuned

corruption investigations have revealed widespread

kickback operations. In-

terest rates have risen as

high as 20 percent, and the

country's infrastructure is

tottering. What has forced Italy to

sense of equilibrium.

The vastness of Italy's gov-

ernment deficit finally

forced the devaluation of

the lira and the temporary

suspension of Italy from

the European Communi-

ty's exchange-rate mecha-

nism on Sept. 17. Political



After decades of la dolce vita, who will pick up the check?

Business Metamorphosis: Privatization Plan Unveiled

During negotiations for the Italian privatization program announced on November 14, Prime Minister Giuliano Amato is said to have scolded his deadlocked colleagues: "Look here, we are not presiding over the fall of the Roman Empire!" But for Italy's public-sector companies, the change may sometimes seem that profound.

Public-sector companies in Italy debt of \$66 million. ENI (Ente have long represented a larger Nazionale Idrocarburi) is profit-share of the economy than in other able, but the energy industry will European countries. The state controls two-thirds of the banking system, three-fourths of the trans-

Increased efficiency is a major goal

portation and communications sectors and practically the entire energy field. During the 1980s, the relative size of public enterprises dropped less in Italy than elsewhere, according to figures from the Organization for Economic Cooperation and Development, and remains the biggest in Europe. Between 1985 and 1990, government aid to public-sector enterprises averaged close to 2.2 per-

cent, among the highest rates in the European Community. IRI (Istituto per la Ricostru-zione Industriale), the largest of these entities, posted losses of almost \$300 million last year on sales of \$73 billion, and has a total able, but the energy industry will require massive investments in coming years to stay competitive, and the government cannot give it the support it needs.

The privatization program pro-posed by Prime Minister Giuliano Amato earlier this month calls for the sale of 27 trillion lire (\$19.7 billion) in shares of three companies over the next three years, with proceeds going to the Treasury. Several of ENPs companies will be sold, as will "significant" stakes in ENEL (Ente Nazionale Electri-cità) and a majority of shares in INA (Istituto Nazionale dell'Assi-curazione). IRI will also sell off a number of its subsidiary companies, but proceeds will be used by IRI to pay back its own debt.

The immediate objectives, some observers claim, are to eliminate Italy's enormous public deficit by 1996 and merit favorable loan conditions from the EC. But, ac-cording to Rolando Polli, managing director of McKinsey (Italy),

"The major point of privatization is not reducing the deficit." Over the long term, privatization is also a way to make Italy's business sector run more efficiently by breaking the stranglehold of political influence on the running of those businesses. Exults Gianhigi Milla, president of a Milan brokerage firm and member of the board of directors of the Milan stock exchange: "Privatization represents a historical change for Italy. Finally, [state-owned companies] are required to compete in the open marketplace. They can't sell below cost or operate ineffi-

ciently as they once could." A less-euphoric economic historian wonders, "Some of these companies have been strong because of government assistance.

Italian foshion

What kind of constraints and regulatory environment will they operate in when the government has little or no interest?" McKinsey's Mr. Polli has more immediate concerns: "We Italians have a habit of saying we will do things. and then not doing them. EFIM [another state-owned company] has been in liquidation since the summer, and still nothing has hap-

The government withdrawal will not happen overnight, given the weakness of the Milan stock exchange. Until recent speculation about the privatization program gave it a boost, the Milan exchange was limping along at about 20 percent of 1986 levels in abso-

Continued on Page 12

This advertising section was produced in its entirety by the supplements division of the International Herald Tribune's advertising department. • Claudia Flisi is a business writer based in Milan and Monte Carlo. • David Lane is a free-lance business journalist based in Rome. • Christina A. Lynch, based in Florence, is a free-lance journalist and author.

face its problems - and may even succeed in resolving some of them - is the country's prime minister since last July, a softspoken ex-professor of law named Giuliano Amato. The Italian elections last spring confirmed the decline of the Cbristian Democrats and the Socialists, Italy's two biggest parties, while confirming the vote-getting ability of the northern Lega Lombarda and other "separat-

Amato's Reform Program Faces the Acid Test

ist" splinter groups. Mr. Amato, a Socialist, became the compromise prime minister of a fourparty coalition, with a razor-thin 16-vote majority. He had to act immediately, in the wake of the Maastricht meeting of the EC countries, to bring Italy into line with the financial stipulations of the proposed treaty. Italy's budget deficit is nearly three times the EC average required to join the monetary union. Its consumer price increases over the past five, 10 and 20 years are the highest, not only in the EC, but also in the OECD. The retirement age had been, until recent reforms, the lowest in industrialized Europe: 60 for men and 55 for women.

Carlo Scarpa, a professor of economics at the Bologna Center of Johns Hopkins University, says:

"After the elections, the parties knew they were running out of time. Maastricht was hanging over our beads, people were more impatient and there was awareness that things couldn't go on as they had before.

Impatience was fueled by a slowdown in Italy's powerhouse economy. Over the last two decades,

EC support: a loan of 17 trillion lire

Italy has bad the secondgreatest long-term real growth of the Group of Seven countries, topped only by Japan, according to the Council on Competitiveness. The slowdown that hit other countries hard in the early 1990s is only now slamming on the brakes in Italy. Next year, according to the OECD, the Italian economy will grow by only I percent. Paolo Garonna, director of ISTAT, the Italian Institute of Statistics, says that Italy is suffering more by facing this situation be-latedly. "We have a high level of real interest rates and high inflation, we are out of the ERM and there has been recent financial turmoil; a change in expectations is always destabilizing," he says.

In the first months of its tenuous hold on power,

the Amato government did what no previous coalition had been able to do: eliminate the scala mobile (an inflationary system of automatic wage increases), freeze wage bargaining until the beginning of 1994, exert some control on wages in the public sector and introduce the notion of privatization of state-owned companies.

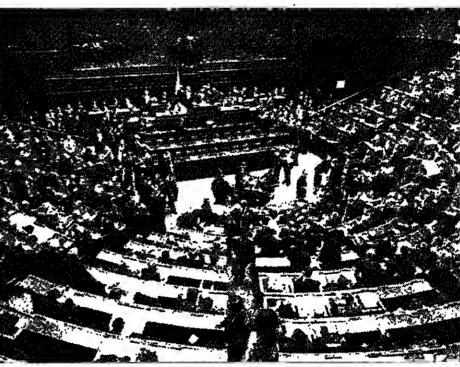
Earlier this month, it unveiled a sweeping privatization plan designed to earn the state some 27 trillion lire (\$19.7 billion) over the next three years. Targeted were the state insurance company INA, the electric company ENEL, the energy group ENI and the state industri-

al holding company IRI. Before December, the Italian Parliament must approve a budget that will satisfy both the EC and constituents at bome. Given the bitter medicine Italians will have to swallow, the task is not an easy one. A flurry of 800 amendments threatened the efficacy of the framework package, which was introduced on Sept. 30. It would save \$70 hillion next year through reforms in the areas of pensions. health care, the civil service and tax policy. Pensions and health-

Continued on Page 11

Tel. 0039-51-282111

Telefax 0039-51-282332



Parliament must approve a budget acceptable to both the Italians and the EC.

International car and matercycle



of ceramics far the building

industry and bathroom furnishings

mone did is The central ing repreval been creas ne. we exch

A ACP H ANGON AND A ACP H ANGON AND A A PORM BOLL A PORM HANGE H ANGOLD A PORM BOLL A PORM HANGE HANGE A PORM BOLL A PORM BOLL

ACTRICATION OF THE STATE OF THE

ADVERTISING SECTION

Bank Sector Gets Leaner, Meaner and Increasingly Competitive

With Roberto Mazzotta's reappointment as Cariplo's chairman at the end of October, the odds shortened on the consummation of the Milan-based savings bank's long-running pursuit of the large, Treasury-controlled Istituto Mobilare Italiano.

Mr. Mazzotta has been the driving force behind giving Cariplo the significant new dimension offered by control of 1MI, a Rome-hased financial conglomerate whose interests include merchant and investment banking, private banking, securities intermediation, insurance and Italy's largest mutual funds operation.

Such diversification from shortterm retail banking has precedents. The Milan-based investment bank Mediohanca was established in 1946

State bank shares have already risen in value

by the three national interest banks Banca Commerciale Italiana, Banco di Roma and Credito Italiano. More recently, the Istituto Bancario San Paolo di Torino acquired control of Rome-based Crediop from the Treasury's Cassa Depositi e Prestiti. By the end of last year, San Paolo had built an 89 percent stake.

Says Crediop's managing director, Mario Mauro, "The corporate sec-tor, particularly small and mediumsized enterprises, is our target. We want to give a clear message that we are a business bank." The bank revised its articles of association and changed its name in May to reflect this emphasis. "San Paolo's branch network provides the channel for making Crediop's services available quickly to business," Mr. Mauro ic aspect of the operation.



Announcement of the privatization plan boosted the Milan index by 19 points.

One of the major banking events in the beginning of the year was the quotation of San Paolo's shares on the Milan stock exchange in March. Its public offer of 20 percent of share capital, Italy's first significant banking partial privatization, was heavily oversubscribed. Led by Chairman Gianni Zandano, the roadshow preceding the share quotation underlined San Paolo's ambition to maintain its front-runner status.

Among the challengers is Banca di Roma, the bank formed on Aug. 1 from the three-way merger of Cassa di Risparmio di Roma, Banco di Santo Spirito and Banco di Roma. This had been the biggest operation undertaken since the Amato law. aimed at restructuring Italian banking, was approved in July 1990.

Notwithstanding legislative en-couragement, large-scale concentration and privatization has not happened. The revolution has yet to arrive. But now it may be close. The announcement in September that Credito Italiano, the Milan-hased hank in which the IRI state holding corporation has a 65 percent controlling interest, will be privatized has been followed by an even greater

The privatization package prepared by Treasury Minister Piero Barucci and unveiled in mid-November proposes that IRI should withdraw completely from the banking sector. This means the disposal of IRI's minority stake in Banca di Milanese sister, Banca Commerciale Italiana (in which IRI has a 55 percent shareholding), is also for sale. As recently as last year, 1RI's chairman, Franco Nobili, was vigorously denying any need or intention to sell its two large Milanese banks.

BCl and Credito Italiano were ranked fifth and seventh respectively by assets at the end of last year, and seventh and 10th by tier-one capital. They held fourth and fifth rankings in terms of pretax profits. With Banca di Roma, Banco di Napoli, BNL, Cariplo, Monte dei Paschi di Siena and San Paolo, they form the premier league of Italian banking.

All have been active in developing their domestic hranch networks. Indeed, emphasis on expansion at home continues to be a feature of Italian hanking, though there has been a slowdown. Figures from the Bank of Italy reveal that 1,365 new hranches were approved last year, compared with 2,081 in 1990. The authorities say that they received 1,946 applications for new branches, against 3,122 in 1990. At the end of last year, there were 19,080 bank branches in Italy, compared with 17,721 at the end of 1990.

Some banks have been able to expand their domestic branch networks while reducing their payrolls. BCI, BNL and Credito Italiano opened an average of 60 new branches each in 1991, but reduced their staff by an average of 100. The ceotral bank would like to see this kind of achievement repeated throughout the banking system. Said central bank Governor Carlo Azeg-

lio Ciampi earlier this year: "In a decade of abundant profits, credit institutions have not felt much need to economize on the labor factor. Yet it is increasingly an element of rigidi-ty in terms of numbers, unit costs and constraints on use."

Mr. Ciampi also drew attention to the way that Italian banks have strengthened their capital bases. In ratio to total customer deposits, this tripled between 1979 and 1991. "The capitalization of Italian hanks is now high, both in comparison with credit systems in other leading countries and with respect to the internationally agreed solvency ratio," he noted.

Aggregate figures from the Bank of Italy show that the banking system's net profits slipped by nearly 4 percent last year. Given inflation of over 6 percent, there was a real fall of more than 10 percent. Moreover, it seems unlikely that improvements will be recorded when books are closed at the end of this year, and nohody expects that 1993 will be

Mr. Ciampi warned Italy's banks that they face intensifying competition in domestic and international markets. They need to tackle rigidities in their operational procedures, employ production factors more efficiently and adapt balance-sheet strategies and interest-rate policies in order to be successful in the marketplace. But the authorities are confident that this can be done. "The Italian credit system has demonstrated its ability to cope with difficult market conditions," stated Mr. David Lane

Taking Care of Business At Home and Abroad

Italy's economic slowdown has focused attention on business and industry. The big multinationals are showing mixed results, and many smaller companies, finding themselves financially squeezed, are looking to exports to increase profits.

Benetton is well on its way to achieving its announced goal of doubling sales between 1990 and 1995, and Ferruzzi plans to double sales in the agrofood area to 20 trillion lire (\$14.6 billion) by the year 2000. Yet other international giants like Fiat and Olivetti are feeling the pinch of Italy's current economic climate; both have recently announced restructuring programs to reduce over-

Many clients of accounting firm Arthur Andersen are "more womied about the recession than anything else," according to firm partner Mar-zio Saa. He estimates that perhaps 90 percent of them are doing worse this year than last.

Confindustria, the Italian Association of Industrialists, is also concerned about Italian business. The association's president, Luigi Abete, has been pressing for a new industri-al policy that will go hand in hand with an improvement in Italy's economic system. His organization's proposals in many ways echo those of the government: cut inflation, lower the interest rate, reform the

Lower-cost money should help small companies

social-security and health-care systems and reform the public administration. In addition, Confindustria has sought a greater commitment to privatization by the government, a slowdown in wage increases in stateowned companies and greater flexibility for its members in the hiring and firing of employees.

Taxes have multiplied in recent months, with two controversial levies earmarked for business and industry. One is an extraordinary tax for the next three years on the net assets of all Italian corporations. The government expects to raise 5 trillion lire annually through this vehicle.

The second, so-called minimum tax presumes a floor income for every one of Italy's small businesses and self-employed professionals, or some 3.2 million emerprises, with the burden of proof on the taxpayer if an exception is claimed. At present, many small businesses declare less income than the salaries paid to their employees. Yet an imposed tax will disproportionately affect these small and medium-sized enterprises.

These companies are often cited as the backbone of the Italian economy, and in fact the average number of employees per manufacturer in Italy is one of the smallest in Europe: nine, as opposed to 28 in Germany, 37 in France and 50 in Britain. At the same time, Italy has fewer instruments to help its small businesses than any other country in Europe, according to a recent study by the Research Institute for Small and Medium-Sized Businesses.

They are reeling not only from recession and taxes, but from interest rates that have reached 20 percent as a result of the recent devaluation of the lira. Large companies are less affected; they have always had access to cheaper funds abroad or at favored-customer rates with Italian banks. The government's efforts to stem the crisis have brought some relief in the last few weeks, and it is hoped that smaller companies will accordingly benefit from lower-cost

At the same time, Confindustria is urging its members to think more about export opportunities. More than 50 percent of Italian industry in terms of number of employees is concentrated in textiles, clothing, leather goods, furniture and machin-ery, all of which are heavily exportoriented. They are also labor-intensive, the OECD reports that in 1991 Italy was "the only large country whose manufacturing exports moved in the direction of labor-intensive industries." Devaluation did not give exports a significant boost; Italian products compete on the basis of quality, design and innovation, not price alone.

Close to three-fourths of Italian exports go to the rest of Europe. however, where the recession has hit harder than it has at home. In response, export horizons are being broadened to include Eastern Europe, North and South America and



SDA BOCCONI

BELLIUNIVERSITÀ LUIGI BOCCONI

IN BUSINESS ADMINISTRATION

Our MBA degree will help you develop the know-how to confront and resolve complex managerial tasks

The MBA programme at SDA BOCCONI includes

solving problems through individual and group study

 learning to work in an international environment
 working with an international Faculty and external experts developing and applying skills as consultants in company

projects in Italy and abroad the opportunity of attending part of the programme at other prestigious Business Schools.

The MBA is bilingual and candidates may choose to follow the programme either in English or in Italian.

Admission requirements include a university degree and some work experience.

Full-time attendance for the entire 16-months

September 1993-December 1994) is compulsory

ECONOMICS AND MANAGEMENT

The Master in International Economics and Management is

a new and highly innovative programme, the first of its kind The MIEM focuses on international themes, integrating the fields of economics, business administration, law and

politics. its aim is to train young managers and analysts for careers In Institutions and companies whose operations extend

across both borders and continents. The Programme is taught entirely in the English language by an International Faculty.

Applicants are required to have a university degree and be prepared to dedicate to intensive classroom activity, individual research and internship experience.

Full-time attendance for the entire 12-months (January 1993-December 1993) is compulsory.

Milano: in the heart of Europe



SDA BOCCONI - Divisione Master - UCI Vla Bocconi, 8 - 20136 Milano (Italy) Tel, 2/5836.6638-6639

I would like to receive further information concerning MBA - MASTER IN BUSINESS ADMINISTRATION MIEM - MASTER IN INTERNATIONAL ECONOMICS AND MANAGEMENT

Year of birth

FOR YOUR BUSINESS



Count on Cariplo for speed and efficiency for all your banking needs. Whether it's financial, commercial or overall assistance. Count on the great experience of a bank born and bred in Milan, linked in real-time to 600 branches throughout Italy. Count on o sound coastal base of 8.269 million dollars. Count on the professionofism of a group represented in Athens. Beijing, Berlin, Brussets. Budopest, Chicago, Frankfurt, Grand Caymon, Hong Kong, London, Luxembourg, Madrid, Mascow, New York, Paris, Seoul, Tokyo and over 1,800 carrespondent banks. If you have a problem or just want advice, you can always count on Coripla.

SINCE 1823 WE KNOW HOW.

Fax 2/5836.6622

Thriving Trade Fairs Plan New Facilities

Trade fairs are important to Italy in two ways: they can be of particular help to small and medium-sized companies, and they can forge better relationships with developing countries whose needs include textiles, clothing and industrial equipment, areas in which Italian fairs are notably strong.

According to the president of the Milan Fair, Cesare Manfredi, trade fairs are "an essential instrument for the development and growth of companies in the context of the new companition in the relationship.

the new competition in the global market."

Thirty percent of Italy's import-export business, in fact, takes advantage of the country's trade fairs. A study by Milan's Bocconi University found that the immediate increase in sales by those exhibiting at trade fairs in Milan alone in 1989 equaled 8 trillion lire (about \$6.4 million). This sum rose to 37.5 trillion lire over the



Cesare Manfredi,
president of
Ente Fiera
di Milano.

medium term, and does not take into account the spin-off value for the city of Milan, calculated at more than 3.6 trillion lire annually.

Last year, the Ente Fiera di Milano, the organization for Milan's trade fairs, reported increased revenues and profits in spite of the dampening effect of the Gulf War. It oversaw 86 fairs, representing 60 percent of all fair activity in Italy, with 31,000 exhibitors and 2.6 million visitors. An additional 1,272 conferences were attended by 142,220 people.

This year, the Milan Fair has 90 shows on its calendar, more than half of which are international. This translates into an average of seven fairs per month, each one lasting several days. The net effect is to stretch current capacity to its limits. At present, the fair has a total area of 380,000 square meters, of which 175,000 are exhibition space spread over 33 pavilions. For conventions, there are 27 meeting rooms, all with simultaneous-translation facilities and andiovisual equipment. This space is no longer sufficient for the logistical demands of modern-day fairs.

Competition among fair locations is as fierce as that of the exhibitors they service. While Milan is one of the oldest and most important fair sites in Europe, it faces rivals in France and Germany with fairgrounds that are newer, larger and better-equipped. To meet and surpass



Left, the Bologna
Children's Book Fair
attracts the top
juvenile publishers
worldwide, Below,
Milan's Galleria
Vittoria Emanuele.

its competition, this year the fair signed an agreement with the city of Milan to begin a project at an abandoned factory adjoining the existing site. This long-discussed project, called Portello Sud, will include two pavilions covering 66,000 square meters of surface area, 82,000 square meters of parking and a green space of 13,400 square meters. Its new pavilions, combined with those of the existing fairgrounds, will enable Milan to host two major international shows in 1995, the European Machine Organization and the Industrial Textile Machine Association, that would otherwise have gone to another site in Europe.

The longer-range plans for the fair call for the construction of a new site outside the city center to host large-scale fairs. The existing Southern Pavilion is 15 miles (25 kilometers) south of the city in Lacchiarella. It has 75,000 square meters of up-to-date exhibition space

Bologna now offers its own heliport and will soon have a new multiuse pavilion

and will host 13 of Milan's exhibitions for 1992, but is not adequate for long-term needs. Once the city of Milan has decided upon and constructed this new complex, the current fairgrounds, with their obsolete structures, will be given back to the city.

For the smaller Ente Fiera di Bologna (Europe's fifthranking fair site), the price of success is also a problem with space. In spite of its 125,000 square meters of exhibition space, the fairgrounds is running out of room. Bologna has taken the lead in forging a pole concept with the neighboring cities of Ferrara and Modena to offer greater flexibility and more space for fair planners. Of the 38 fairs scheduled next year, 21 will be in Bologna, nine in Ferrara and eight in Modena.

In 1991, construction began in Bologna on a new multiuse pavilion of 15,000 square meters designed for large conventions. This year saw initial work on a new entrance for the fairgrounds, directly connected both to the new pavilion and to a parking lot for 4,000 cars. The latter adjoins a new exit from the highway that was built specifically for the fair. A heliport was also built this year.

In the longer term, there is a more ambitious project to link the Bologna, Modena and Ferrara fairgrounds by railroad, and to link the Bologna fairgrounds to the city's central rail station. The project includes covering all the open spaces between pavilions and linking them with moving walkways.

Says Bologna Fair spokeswoman Graziana Patrioli: "A fair is judged by the quality of services it offers." For this reason, the fair's strategy in 1993 is to improve its services to exhibitors and visitors, as well as its facilities. This strategy is of long standing; starting in 1986, Bologna has invested heavily in computerizing its activities with special bardware and scappers.

with special hardware and scanners.

The Bologna Fair's president, Dante Stefani, emphasizes the importance of specialization in a fair operation. Bologna's fairs are concentrated in four areas: fashion, construction, culture and industrial equipment. Each of them boasts exhibitions that are world-class leaders, including Cosmoprof for cosmetics, the three building fairs grouped as the SAIE-Team, the Children's Book Fair, Autopromotec for the auto industry and the Motor Show for car buffs.

Acid Test: Amato's Reform Program

Continued from Page 9

care entitlements are much more of a sacred cow in Italy than they are, for example, in the United States. They reflect beliefs about social responsibility that are deep-rooted in the Italian psyche. An international Gallup poll a few years ago found that 81 percent of Italians agreed that "it is government's responsibility to reduce income differences," while only 28 percent of Americans did so.

Not surprisingly. Mr. Amato's proposal to freeze pensions in 1993 was shot down. As the budget stands now, they will go up with inflation, costing \$2.8 billion next year. Still, retirement based on seniority has been blocked for 1993, and the regular retirement age will be raised to conform with EC norms; 65 for men and 60 for wom-

en. Health-care reform remains mired in controversy. Initially, any family or individual earning more than 40 million line would no longer receive free health care, except for hospitalization. But this proposal is being fought bitterly and may not survive.

Fiscal measures include spate of new taxes on individuals, homes, businesses, luxury cars and yachts, among other tar-gets. Regional tax payments are no longer deductible from federal. taxes. Aid to developing countries has been re-duced by 1.5 trillion lire, environmental spending lowered by 300 billion lire. The income tax bureau itself has been singled out for reform; by requiring the loser of a tax case to pay court costs, the government hopes to dissuade tax bureaucrats from drag-

ging cases on for years. The European Commumity has been favorably impressed by the government's actions to date, and has loaned it 17 trillion lire with favorable repayment conditions as a sign of confidence. The move by the EC helped compensate for the August decision by bond-rater Moody's to lower its rating on Italian bonds by two points. Italy is now the only member of the Group of Seven not to have an AAA rating. Still, ISTAT's Mr. Garonna thinks that Italy "could be back in the ERM very soon if the markets are

ity of our program."

In the long term, the prospects are less clear. Mr. Amato's political longevity is by no means assured, and he is still part of the Old System, not a harbinger of fundamental change. Change means taking state-owned companies and state-controlled jobs away from the

convinced of the credibil-



Prime Minister Amato: Praying for success.

ruling political parties, thus depriving them of their power and wealth. Only electoral reforms can achieve this, and only a few politicians, like Mario Segni and Leoluca Orlando, are crusading for them. A key to the level of voter unrest may be the results of upcoming local elections in the northern cities of Varese and Monza.

Claudia Flisi



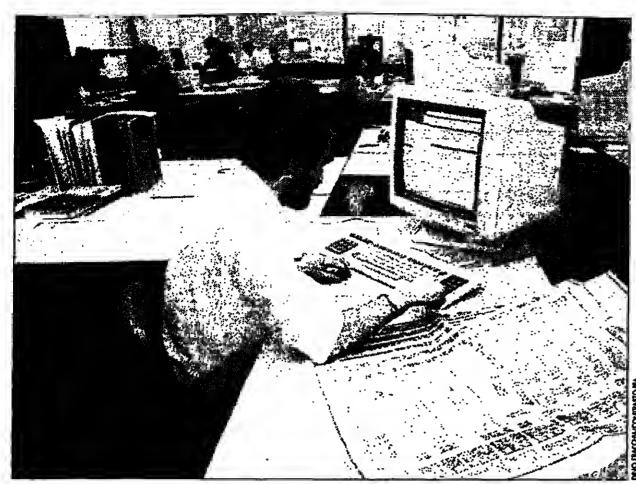
A telecommunications system is very complex. Installations, equipment, networks, technology, research, investments and people, too. But, first and foremost, a strategy that ties it ell together to meet individual needs. STET, the mind behind Italian telecommunications, has led the way across European and international frontiers. Competitive in all sectors, from services to industry, from engineering to research.



iRi grou

Telecommunications. In Italy and the world over

AL



Italtel, in partnership with AT&T, is developing an intelligent network infrastructure.

Business Metamorphosis: Into the Private

Continued from Page 9 lute terms. It had fallen 30 percent in the first six months of 1992 alone. Part of the problem has been the well-publicized deficit and the inclination of investors to put their money into high-yielding government bonds to finance that deficit, rather than into' more productive vehicles. Private companies, even profitable ones like ENI, are hardly a match for the double-digit yields of these

Gabriele Cagliari, ENTs

bonds.

companies are to compete successfully, they must be "efficient, cleaned up. well-focused, comparable in size to the competition, and managed by execu-tives who are fully accountable for their deci-

Some of the companies to be put on the block will have no trouble finding buyers immediately. The three banks beld by IRI -Credito Italiano, Banca Commerciale Italiana and Banca di Roma - are attractive to foreign as well as domestic investors. Interest in SME, the 1RI

company with interests in food and highway restaurants, is so high that trading had to be suspended last week. In contrast, ail-

Plan will help reduce deficit

ing companies in cyclical industries, such as steelmaker ILVA, the shipping company Finmare and the ship makers Fincantieri, will not be sold until their balance sheets improve. Last week, the Interna-

tional Monetary Fund

gave its blessing to the

als, observing that it had been waiting for some time "for a clear sign of the government's intention to make a break with its past policies of interfering in areas where the private sector can operate more efficiently." Success, ac-cording to the IMF, will depend on speed of action and lack of political interference. Now it is up to the Italian Parliament to confer approval on what Mr. Amato himself calls "the framework for the future of Italian industry."

prime minister's propos-

Next, Liberalizing Telecommunications

In 1987, the European Community issued its famous green paper calling for an end to restrictive monopolies and for the liberalization of the telecommunications equipment market. Today, as privatization begins to take hold in Italy, the process of liberalization is starting to make an impact.

The impact of liberalization on Italian telecommunications would be sizable on all fronts: financial, commercial and political. Because the extent to which it may be privatized is still unknown, Stet, Italy's tele-communications monopoly — which includes the operating company SIP, the manufacturing arm of Italtel, and Italcable — has set as the pillars of its strategy for the next four years an emphasis on services to business, the continued modernization and rationalization of existing networks to reduce operational costs, optimization of corporate resources on the manufacturing side and expansion of the group's role abroad.

This expansion is in keeping with the quest for international alliances by many in the telecommunications

International calls rose 72% during 1987-1990

industry, given the significant capital expenditures required. Notes Robert Allen, chairman of U.S. telecom giant AT&T, "Nations will be investing more in telecommunications networks in the next 10 years than in all the 115 years since Alexander Graham Beil invented the telephone— up to \$70 billion annually." This year, Stet will be investing 400 billion lire (\$290 million) in R&D alone, a 16 percent increase over 1991. By 1996, it will have made technical investments of 44 trillion lire, partly to bring the lagging south up to acceptable telecommunications levels. and, increasingly, to bring the country into the vanguard of international standards, if not to surpass them.

In 1991, Italy had 42 telephones per 100 inhabitants; an increase to 47 per 100 is expected by 1996. Far more revealing is the jump in cellular telephony, where Italians have set the pace worldwide: at the end of 1990, there were 266,000 subscribers. according to Stet. By the end of last year, the number had swelled to 568,000. By the third quarter of this year, there were 735,000 cellular subscribers — a 176 percent increase in less than two years. The number of international calls increased about 72 percent between 1987 and 1990, although Italy's international calling lags far behind that of the other Group of Seven countries and its

international rates remain two to three times higher. SIP is coming under increasing pressure from its international counterparts, including those in the United States, and from the OECD to make its rates more closely reflect actual costs.

Italtel, the manufacturing arm of Stet, is under a different sort of pressure. "This decade," claims Italiel's chief executive officer, Salvatore Randi, "will be a period of revolution, comparable to the 1980s, when electronics were replacing electrome-chanical technologies." As the world's 11th-ranked telecommunications equipment company, Italtel has been aggressive about seeking both international business and cross-border alliances. It is active in Russia with Telezaria, a joint venture created with Krasnaja Zarja in 1990. This month in Moscow, the company announced bookings for roughly 500,000 lines of Linea UT telephone digital switching exchanges, Italtel's

core product. In China, the company is present with Chongoing Italiel Communication Equipment, a joint venture for the production and marketing of transmission terminals for a new fiber-optic network.

Other important elements of Ital-tel's international strategy are the acquisition of highly specialized companies in key areas of telecommunications.

Bolstering Italtel's international presence is its 1989 agreement with AT&T for reciprocal expansion in all markets. Italiel and AT&T are at work on an intelligent network infra-structure that will be among the most advanced in the world. They have created Ole 2000, an innovative access system for the gathering of voice and data users, and are developing large-scale transmission points based on the new technology. The realization of these projects, along with the diffusion of high-speed commutation technology, will make possible a pan-European network of wide-band communication.

It is not by chance that Italiel became the first Italian telecommunications company to receive the recognized European certification ISO 9000, attesting to the excellence of its quality-control systems. Nor is it unexpected to find other potential partners for Italtel, including Siemens and Alcatel, showing interest

in the company. Alcatel had bid for Italtel's favors once before, but lost out to AT&T; its consolation was the purchase of Fiat's telecom transmission company Telettra in 1990. Alcatel would presumably relish the opportunity to press its suit again. For the moment, however, Stet is being described as a "natural monopoly of the state, and ltaltel's Mr. Randi denies interest in any other partner but AT&T.

AT&T is also a partner with Ital-cable for its Global Software Defined Network. This is a virtual network that provides most of the features of a private or dedicated network over public switched network facilities, very attractive to large companies. Private telecom networks in Italy had a value of 2 trillion lire last year, and have been growing at about 10 percent annual-

Because virtual networks can operate only when there is a sufficient digital infrastructure, the first pilot digital network in Italy began opera-tion in June 1992. An ISDN (Integrated Systems Digital Network) is now operating in 11 Italian cities, and the timetable calls for regular

1

service by next year.

France, Germany and Britain are further ahead in digital applications, but all three countries are significantly less restrictive than Italy. A 1991 study by the Yankee Group, a telecommunications consultancy, ranked Italy as the third most tightly regulated country in all of Western Europe and well above the European

average.

Reaching agreement on deregulation is fundamental to the development of ltaly's telecommunications policy within the EC. British Telecom's profits have increased, as have its services to customers, every year since its privatization in 1984. Germany and Portugal are considering similar moves, as are Sweden, Finland, Hungary and Czechoslovakia. Filippo Maria Pandolfi of the EC Commission has acerbically observed: "The [EC] decision to allow exclusive or limited rights in the field. of verbal telephonic services was very wise. As is widely known, there is a certain tendency among governments to consider their telephone networks as extensions of their national sovereignty." CF.

The largest oil refinery in the literranean at your service



SARAS S.p.A. RAFFINERIE SARDE HEAD OFFICE - 20122 MILAN - GALLERIA DE CRISTOFORIS, 8 - TEL (02) 77371 - TELEX 311273 - FAX (02) 76020649 REFINERY - 09018 SARROCH (CAGLIARI) - S.S. SULCITANA KM 19 - TEL (070) 90911 - FAX (070) 900209 BRANCH OFFICE - 00187 ROME - SALITA S. NICOLA DA TOLENTINO, 1-B - TEL (06) 4820263 - FAX (06) 4871439



W HO IS NOT AT THE Fiera Milano IS JUST NOT THERE

EXHIBITION CALENDAR FROM JANUARY TO FEBRUARY 1993

JANUARY

Esposizione Internazionale Canina di Milano

Dogs 21-25

Chibicar Gift articles, fancy goods, perfumery items,

costume jewellery and smokers' eccessories 21-25

Cart

Stationery, paper related products, articles for schools and fine arts

31° Salone Internazionale del Giocattolo

Toys January

Men's wear

Milano Collezioni Uomo

FEBRUARY

Macef Primavera

Household articles, crystalware, ceramics, gift articles, silverware, jewellery, precious and semiprecious stones, watches, household articles of quality, small electric appliances

Mias Invernale

Sports-wear, sport articles and camping equipment Lacchiarella, South Pavilion

12-16

Modit Milanovendemoda: La moda a Milano Women's wear

horticultural equipment and accessories

19-22 Miffor Cut-flower and ornamental plant production,

Lacchiarella, South Pavilion 24-28 BIT

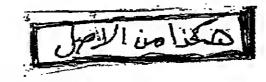
Tourism

26 February - 1 March Interimmo

Estate services for house, work and leisure 26 February - 1 March

Salone del Franchising Franchising and new techniques in the tertiary

FIERA MILANO LARGO DOMODOSSOLA, 1 20145 MILANO - 2 (00-39) 2 4997.1 Fax (00-39) 2 4997.7179 - Tx 331360-332221 EAFM I



Artisans Perpetuate Italy's Tradition Of Crafts

Remaining true to work methods more in step with the 12th century than the 20th, Italy's artisan class, for centuries the backbone of Italian commerce, continues to produce some of the world's finest crafts.

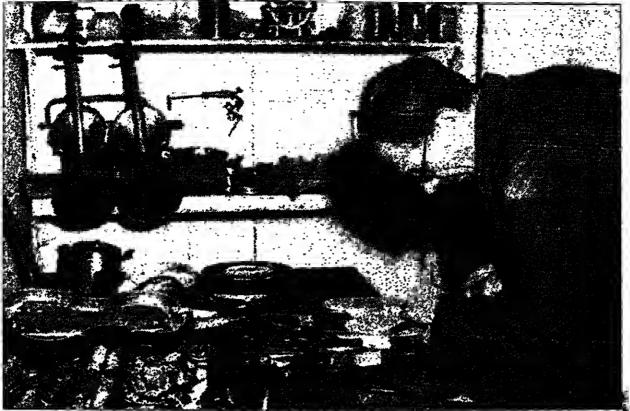
"It takes about 14 days to make this frame." says Fiorenzo Bartolozzi, a Florentine wood carver, showing an intricate copy of a Renaissance model ready to be gilded. Mr. Bartolozzi, a wood carver for 70 years, has crammed thousands of square feet of space in Florence's Oltrarno area with the antique carvings he uses for inspiration and his own creations. He has 20 craftsmen working under

Most historic crafts are still found in Florence

7

him, and a store in the Via Maggio. His workbench contains no electric tools, just a set of gleaming chisels. Suspended from the ceiling are fragments of 15th-century frames, 14th-century cherubs and bric-a-brac from every century. "I've done frames for great painters like De Chirico," he says. "It's a real honor. But my greatest achievement is the carvings I did for a church in Montecassino that was destroyed in the war. They took me five years to fin-

All is not easy for the artisans, who have a hard time competing with industrial production in the modern economy. "Some specialties are in danger of extinction," says Fabio Vivarelli, national secretary of craftsmen at the Confederazione Nazionale Artigianato, Italy's artisans association. "Not only are some trades themselves in danger, such as mosaic makers, but also some tech-



Endangered species? A Florentine craftsman at work in his atelier.

niques may disappear, such as methods of working copper."

A tight real-estate market, new taxes, an ever-more-burdensome bureaucracy and world currency fluctuations are the biggest threats currently facing the artisans.

According to statistics from the Confartigianato, the other Italian artisans association, Italy boasts 1.85 million artisans, while experts admit there may be as many as double that number. For statistical and tax purposes, artisans and craftsmen are grouped together with owners of small businesses such as barbers and auto mechanics, making it difficult to determine exactly how many true craftsmen remain. Florence is home to 108,000 artisans, although Mr. Vivarelli says only 6,313 businesses with 20,000 employees are actually practicing crafts, identified under the general categories of glass, coramics, leather, jewelry, restoration, gilding, carving and laquering. Onethird of these work in the city's historic center, says Mr. Vivarelli,

The Confederazione Nazionale Artigianato is working hard to protect the artisans, who have very different problems from the rest of the Italian work force. The crafts require endless hours to learn and execute, materials are very costly and individual craftsmen often not well organized to sell their wares. Says Mr. Vivarelli: "The local government has set up training programs and has sponsored large-scale restorations that employ artisans, but we would like to see more direct intervention."

In Florence, most of the historic crafts are still represented and practiced using traditional methods and tools. Wood carvers, framers, bronze and brass workers, framers, bronze and brass workers, silversmiths, straw weavers, papermakers and fur-niture makers ply their trades in dim-ly lit ground-floor workshops in an-cient palazzos, while potters and glassblowers can be found in the countryside around the city.

"Florence is the last city with a strong artisan class," says Pierluigi Franceschi, a Florentine frame maker. "Italy's industrial revolution didn't come about until 1950, and Florence, thanks to its central location and working-class neighbor-hoods, was able to maintain its arti-Sans."

Most of Florence's artisans have workshops in the Oltramo area around the Pitti Palace, a growing commercial zone where large ground-floor spaces are at a premium. Some artisans have already been evicted, and many others, such as those in the Convento di Santo Teresa in the Via Giano della Bella, are in danger of losing their workshops. We hope the Chamber of Commerce will intervene to avoid these evictions," says Mr. Vivarelli.

Both Mr. Franceschi and Mr. Bartolozzi note that the export market has shifted toward Europe instead of the United States. "In the late 1980s, I had many U.S. interior decorators as clients," says Mr. Franceschi. "They'd buy five or ten pieces at a

time and have them shipped. I think it's a question of price—the dollar was at 2,000 lire." Mr. Bartolozzi worked with U.S. retailers such as Bloomingdales and Marshall Fields, and traveled extensively in the Unit-ed States to speak with clients. "We're working much more with En-rope now, especially Germany, and with Japan," he notes. A film crew recently completed a segment on Mr.

Bartolozzi for Japanese television. With his wife and daughter, Paolo Pagliai, a silversmith, runs the business his father started. "We mostly do restorations now," explains Ste-fania Pagliai. "We have some private clients abroad, but we rely on word of mouth and on a steady trade from the families we've been serving for 50 years." Mr. Pagliai also does reproductions of antique silverware to replace missing pieces in a set, and creates small objects as wedding

Mario Borgheresi has been making star-shaped glass lanterns in the antique style in a small workshop near the Pitti Palace for 40 years. "Our business is what you see," he says. "We don't have foreign clients except those who stop here as they

Christina A. Lynch

Business Briefs

 Alitalia will close its 1992 books without a loss, an improvement over three years ago, when it was 200 billion lire (\$146 million) in the red. Governor Mario Cuomo of New York recently went to Rome to sign an agreement designating it the "official airline" of New York State. A commercial agreement with KLM has been denied for the moment, but the need for international agreement with KLM has been denied for the moment. the need for international partnerships remains, inasmuch as 70 percent of the airline's business is generated outside Italy.

• In 1991, the Italian electrical power monopoly ENEL oversaw bidding for more than 8,000 major contracts worth about 3 trillion lire and more than 13,000 contracts for equipment worth more than 5 trillion lire. ENEL's president, Franco Viezzoli, has publicly emphasized the importance of "transparency and objectivity" in the awarding of these, including the criterion of trustworthiness as well as technical and financial ability. cial ability.

• The Ferruzzi Group will not be repeating its \$60-million-plus investment in an America's Cup contender anytime in the near future. Yet the publicity generated by the Moro di Venezia (which came in second) was worth more than its cost, based on the value of media errocure. exposure. Even more gratifying was that, according to an academic analysis, the company's stock went up every time the Moro won a race. In addition, the Ferrozzi shipyard created to construct the Moro logged in a year's worth of orders at the time of the Cup race.

• Flat chairman Giovanni Agnelli does not see a turnaround in the auto industry before 1994, the year he is scheduled to hand over control of Italy's largest private company to his brother Umberto. In the interim, the chairman recently assured Fiat's managers that he is taking all the steps necessary to make sure the company will be ready "to take full advantage of every opportunity the market will offer at that time." One of these steps is a recently amounced restructuring, which divides the organization into two sectors: industry and industrial development, and

financial control and resource management.

• An Italian student is easily identified by the zaino, or book bag, he or she carries. Last year, 3.5 million of them were sold in Italy, a market worth more than \$300 million. Invicts dominates this market with a 40 percent share, and has expanded into gloves and other accessories to underscore its image as a "youthful totem of communication," according to its president, Giovanni Garrino.

· Although only 34 percent of Italians wear corrective lenses, compared with an average of 40 percent for Europe as a whole, the eyewear industry in Italy is big business. Turnover in Italy at retail level was 1.6 trillion lire in 1991, slightly ahead of 1990's 1.5 trillion lire with exports. accounting for 64 percent of the total in a year described by most

industry insiders as very tough, Luxottica, the country's largest eyewear manufacturer, increased sales and net profits by double-digit figures. In the first quarter of this year, net profit grew again to almost 14 percent.

• This September, Montecatini, a company of the Ferruzzi-Montedison Group, and Royal Dutch Shell agreed to merge their respective activities in the area of plastics. The combined forces of the new, as yet unnamed, company will produce 3 million tons of polypropylene and a

half million tons of polyethylene annually.

• The success of Officett's alliance with Digital Equipment will depend on the acceptance of DEC's ultrafast Alpha chip. Olivetti will begin to sell Alpha-powered workstations in Italy by the second half of next year. By June 1994, if both partners are satisfied, Digital will purchase 4.2 percent

• Television sponsorships have come under the scrutiny of the Italian Parliament, resulting in a proposal to limit advertising for national networks to no more than 20 percent of daily broadcast time. This works ont to a little less than five hours per day, of which no more than one-fourth can be used for direct selling. If passed, the law would affect 400 billion lire worth of sponsorships now on Silvio Berlusconi's Fininvest networks, and a more modest 100 billion lire broadcast on RAL

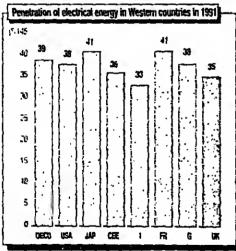
· Pharmaceutical company Ricordati has developed a proprietary technology for drug release called CRSS (controlled-release suspension system), simed at geniatic and pediatric patients who have trouble swallowing conventional pills. In the first half of 1992, the company's pharmaceutical sales increased 32 percent over the previous year, with international sales accounting for a quarter of the total.

"The first commitment of ENEL Società per azioni is precisely not to fritter away what has been painstakingly constructed"

ELECTRICAL ENERGY IN ITALY

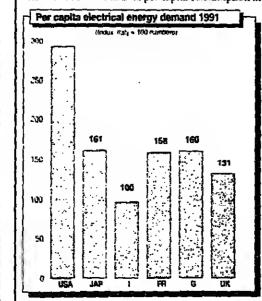
Throughout the world the form of energy for which demand is constantly increasing is electricity. This is obviously due to the special features of the latter; it is easily transportable in real time, totally clean at the utilization stage, and actually indispensable in numerous industrial applications, as well as in sectors such as computer science, telecommunications and auto-

The degree of preference given to electricity versus other forms of energy is called "electric penetration." This quantity is used as an indicator of a country's economic and industrial development. It is constantly on the mercase worldwide.



In Italy this coefficient has a value of 35%, which may be considered low compared not only with the more industrialized countries (4) to in Japan and in France 30%) but also with the OECD average (30%) and that of the EEC (36%).

Moreover, our per capita electricity consumption is considerably lower than that of the industrial countries - about two-thirds of per capita consumption in



France, Germany, Japan and the UK, and as low as one third of US consumption. It is therefore to be expected (and hoped, as far as this country's economic growth is concerned) that electrical energy con-sumption will grow more rapidly in Italy than elsewhere.

ENEL SOCIETA PER AZIONI

On 11 July 1992 ENEL was transformed into a public limited company (Società per azioni) by decree-law no. 333/92. The equity of the new compuny (ENEL Società per azioni) has been allocated to the Ministry of the Treasury in order to be placed on the market.

The main reason for these decisions is of course the need and urgency to contribute to containing the public debt. However, by establishing the new company, the government also aims at satisfying other needs that have grown rapidly in recent years, such

1) the duty of conforming to the conditions stemming from Italy's membership of the European Community, which imposes behaviour in keeping with the rules of the market in all sectors of the econ-

2) the need to make the best use of the country's available capital resources, also by means of widespread participation in productive investments; listly, the need to boost the stock exchange

With its 30,000 billion lire turnover and 109,000 employees, ENEL Società per azioni is already a large industrial concern which comes into being under the banner of continuity.

This continuity concerns both structure and objecoves. The tasks awaiting the Italian electric sector (i.e. develop the electric network, construct new power plants to satisfy future demand, to ensure muximum security of supplies to continue respood adequately to environmental demands) mean that it will be necessary to operate through the organization that ENEL has gradually adapted to cope with developments in the sector and the country's needs, which has led to the present central subdivision into Directions and recritorial subdivision into Departments.

The first pledge of ENEL Società per azioni will be precisely not to fritter away what has been painstakingly constructed.

What changes are to be expected in the activities of ENEL Società per azioni compared with the past? Very few, except for the form of the top management of the new company. There will perhaps be some changes in the way the work is carried out, with possibly even more attention being focused on the economic aspects of specific activities in the electricin sector. Maximum quality service will of course always be one of the primary objectives.

ENEL Società per azioni will thus continue to operate with the capacity and devotion that have always characterized ENEL in the belief that the new public limited company will not fail to go on developing existing potential and to encourage the attainment of the highest levels of efficiency throughout the sector in order to achieve ever better results.

PROSPECTS FOR THE YEAR 2000

Most of the electrical energy produced in Italy is generated by burning fossil fuels. Among the latter fuel oil accounts for the lion's share; despite the constant increase in the percentage of coal and natural gas, oil still accounts for 60% of the production from fossil fuels.

Desnite the intense exploitation programme, the hydroelectric resource, one of the first national resources, has failed to achieve large production

The geothermal source continues to make a constant, although highly limited, contribution. As from 1987, the ouclear source has been totally eliminated as a result of the highly publicized decisions made by lasty in this field, while direct imports of electricity from other countries have increased

In view of the great scarcity of fossil fuels in Italy, the above brief outline clearly shows how the Italian electric system is very strongly dependent on foreign fuel supplies. This makes the country extremely vulnerable, particularly in view of the fact that all the larger countries have successfully implemented a policy of near-total independence.

strong dependence on foreign fuel supplies and consequent vulnerability of fuel procurement for

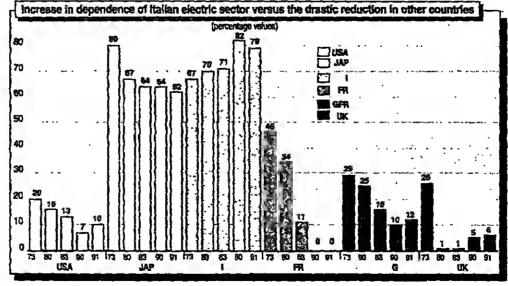
continual changes in the international situation,

The new ENEL Società per azioni will base its action on the programmes of its predecessor, the national electrical energy agency. In particular, this action will be addressed towards:

 maximum diversification of area of provenance of fuels in order to ensure cheaper and more secure

diversification in the use of the various primary 3) flexibility and rechnological innovation of gener-

ating plants, 4) constant commitment to safeguarding the envi-



the quality of service.

It must also be acknowledged that while the chang-

ing international situation represents a serious chal-

nerability and increased innovative capacity.

Support will also be provided for numerous initia-

international energy crises.

However, it must be acknowledged that after Italy's abandonment of the nuclear source (which makes a considerable contribution to the electric sector in all the other industrialized countries) no valid alternatives are available to reduce this dependence. Practically the entire hydroelectric potential bas been exploited and while the development of renewable sources and energy saving may produce results in the medium-long term, they will not be enough to change the situation substantially.
As there is little hope of finding a way of substantial-

hy reducing Italy's dependence on imports, the main aim of ENEL Società per azioni should be to reduce the vulnerability deriving from this dependence. What, then, are the main problems facing ENEL Società per azioni. They may be summed up as fol-

· constantly increasing demand for electricity; increased sensitivity to environmental and territothe electric system;

involving both North-South and East-West economic and political relations, and the opening of the European Market, which will bring with it new rules and new conditions of competitiveness.

ronment and the territory, as well as to improving

tional plants and industrial-scale experimental plants in the development of innovative technologies, with special reference to: multi-fuel plants capable of using any of several different fossil fuels (oil, cost or gas); combined cycle plants; innovative rechnologies involving the use of coal; new hydroelectric plants (demonstrating the considerable efforts made to further raise the already

tives aimed at innovating plant technology with a

view to boosting efficiency, introducing new pro-

cesses and developing domestic primary energy

sources. It is therefore planned to use both conven-

80% in 2000, a higher value than io practically any other country); significant commitment to identifying and developing oew geothermal reservoirs (which will bring the available capacity of this source to over 1,100 MW by the year 2000);

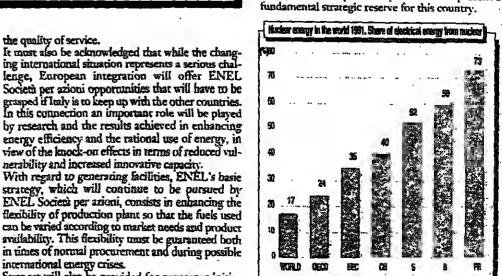
high degree of utilization of Italian hydroelectric

porential; from the present 70%, this will rise to

lastly, the development of new renewable sources. Special mention must be made of multi-fuel power stations, i.e. those plants that, as we have seen, are able to use different fossil fuels, in any case ensuring the respect of the most stringent environmental reg-

On the occasion of the recent Gulf crisis, the International Energy Agency (AIE) asked OECD countries to reduce the demand for oil as a precautionary measure in order to reduce market tensions. Italy was the only country in the world that did not have to envisage restrictions. However, it in anycase had to achieve this objective by replacing oil with other fuels in the thermal power stations, something that is possible only in multi-fuel facil-

This is an obvious confirmation of the wisdom of the choice made, which represents a central factor in a broader strategy in which the flexibility of the production system and the diversification of fuels are viewed as essential elements in offsetting the extreme vulnerability of the electric sector due to the scarcity of locally available raw materials. In this sense, multi-fuel plants may be said to represent a



Con Ni

ende gains

ing c Th

Deck berea 9-to-Stock tive. chan devel 6% u Co. 1 for the try p compared to the try p co

ne, w exch

which muni barel

ernm valua held baski pean Re

the E from was r venir

A Hope of the state of the stat

Business Competitiveness: Why Should Americans Overseas Be at a Disadvantage?

U.S. government policies often put American workers and businesses overseas at a distinct disadvantage when competing in international markets. It is time to end these policies and level the playing field.

BECOME A MEMBER OF

PLEASE COMPLETE THE FORM AND SEND IT TO:

WASHINGTON: FLAAG 2056 National Press Building Washington, D.C. 20045 - U.S.A. Phone: 1/202/628.5488 - Fax: 1/202/628.5485.

FLAAG 16, Connaught Street London W2 2AF - ENGLAND

FLAAG 91, rue du Faubourg St-Honoré 75008 PARIS - FRANCE

☐ YES!

☐ YES!

NAME:

CONTRIBUTIONS, GIFTS AND MEMBERSHIP DUES ARE NOT DEDUCTRILE FOR FEDERAL INCOME TAX PURPOSES.

This advertising section was produced in its entirety by the supplements

ADDRESS:

PHONE/FAX:

(INCLUDE ALL PREFIXES)

FLAAG

OR HONG KONG:FLAAG Suite 303, 3/F On Hong Commercial Bldg.
OR 145 Hennessy Road, Wan Chai - Hong Kong.

The Federated League of Americans Around the Globe (FLAAG), along with its organizational members, will raise these issues with the new administration and Congress next year. FLAAG is working to demonstrate that the United States must re-evaluate its policies affecting Americans overseas in order to continue its economic leadership in the world.

The historic developments in Central and Eastern Europe and the former Soviet Union have opened new international markets. American business must be able to take advantage of these opportunities.

This is the time for Americans to take bold and innovative approaches to help provide further stimulus for the U.S. economy hy effectively entering the new global economy. Free trade continues to be an important foreign policy tool that bas planted the seeds of democracy and social stability throughout the world. In 1991, U.S. exports totaled \$421.7 billion, a 7 percent increase over 1990. Exports to developing countries made up almost 35 percent of total

☐ YES!

CI STUDENTS AND SENIOR CITIZENS

PHONE/FAX: (INCLUDE ALL PREFIXES)

PLEASE SEND INFORMATION ON ORGANIZA-TIONAL MEMBERSHIP.

Americans around the globe are on the front lines of this worldwide economic competition. Americans overseas create export trade. According to U.S. Department of Commerce figures, each American working overseas generates approximately \$720,000 in taxable corporate revenues annually from export sales for U.S. firms, creating more than a dozen jobs and increasing tax revenues at home. Every one billion dollars in U.S. exports supports at least 22,800 jobs directly and as many as 40,000 such jobs in total.

The U.S. export level in 1991 -\$421 billion — implies that almost 17 million jobs in the United States are export-related. In addition to creating jobs in the United States, Americans employed overseas free up jobs in the United States, which

helps reduce unemployment. The following is a summary of some of the existing difficulties that need to be remedied. Taxation

Why do U.S. government policies place American business and American workers overseas at a distinct

PLEASE SEND FLAAG INFORMATION TO THE FOLLOWING PERSON:



FEDERATED LEAGUE OF **AMERICANS AROUND THE GLOBE**

disadvantage when competing in international markets? Americans abroad, unlike nationals of other nations working overseas, are subject to two systems of taxation -- the tax laws imposed by their country of residence and those imposed by the United States. The United States is the only major industrialized country in the world that maintains and enforces a system of taxation based on citizenship rather than on residency.

Americans working overseas are also liable for U.S. income taxes on employer-provided compensation allowances such as family transportation to and from the United States, schooling for their children and certain bousing costs. These are necessary allowances to offset the additional expense of living overseas and to approximate a U.S. living standard. These allowances do not add disposable income, but they are taxed as though they were additional

While Section 911 of the Internal Revenue Code provides for an exclusion from income tax of foreignearned income up to \$70,000, this apparent substantial relief is actually insufficient. By the time you offset the necessary allowances for family travel, schooling and cost-of-living adjustments, little if any of the exclusion allowance remains. In fact, if you take into consideration the double taxation of Americans overseas, the \$70,000 income exclusion in most cases does not offset the more burdensome tax consequences of working overseas.

U.S. government tax policies make American employees overseas more expensive to hire than similarly skilled workers from other countries. When these expenses are factored into the cost of providing services abroad, American firms become progressively more expensive and are consequently less competitive in international markets. These tax laws also discourage foreign companies doing business overseas from hiring When Americans are replaced by

foreign nationals, those foreign nationals buy products familiar to them from their home countries, not the United States. The loss of markets and the cutback in American jobs overseas represent a setback for American competitiveness. The impact is felt in communities at home as export-generated jobs disappear.

Social Security In addition to the tax burdens, many U.S. citizens who work abroad for non-U.S. companies cannot voluntarily contribute to Social Security. Many consider this a major problem since many foreign companies do not have pension or savings plans that constitute an acceptable substi-

Health Care

Health Care can also be a problem overseas. Even though citizens who have contributed to Social Security and Medicare programs may be eligible for these benefits within the United States, Medicare benefits are not available overseas. Many have a problem obtaining or maintaining bealth insurance. That is wby FLAAG has a special Health Care Insurance Plan designed specifically for citizens residing overseas.

All of these personal disincentives affect business competitiveness. The degree of difficulty Americans have in being personally involved in international markets directly influences the degree of success achieved in selling and promoting U.S. products.

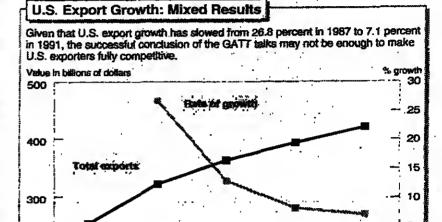
Promote U.S. Product Standards Influencing product standards in countries is an integral part of the export promotion strategies of many foreign countries. By persuading a country to establish product standards that cannot be met by foreign competitors or met only at substantial additional cost, a significant competitive advantage is given to those businesses that already incorporate the standards. FLAAG's organizational member in the Middle East, the American Business Council of the Gulf countries, helped persuade the U.S. government to place work with the Saudi Arabian Standards Organization.

Since the inception of this program in 1990, no standard incompatible with U.S. products has been promulgated. A program such as this has the potential to generate billions of dollars for U.S. companies, create thousands of jobs for U.S. workers and enhance U.S. business competi-

Improve Trade Agreements
While the U.S. is the world's leading exporter, there are specific initiatives that can boost American competitiveness. An example is the Enterprise for the Americas Initiative, which is supported by FLAAG and its organizational member, the Association of American Chambers of Commerce in Latin America. This initiative offers significant trade, debt and investment incentives to assist Latin American governments in carrying out market reforms.

Export Promotion Activities The United States has no central authority or mechanism for monitor-.. may be presumptuous and counterproductive to attempt to enforce American laws in a foreign environment. For example, U.S. antitrust laws are generally considered to put American firms at risk with respect to international commercial commitments undertaken by consortiums of companies to share risk and over-

On the other hand, when American legislation does not unnecessarily conflict with the laws of other nations, the United States should move to protect the rights, benefits and privileges of all its citizens. An example is the case "Equal Employment Opportunity Commission vs. Arabia American Oil Co.," wherein the U.S. Supreme Court found that U.S. employers employing U.S. citizens abroad were not bound by the Civil Rights Act of 1964. In this case, a U.S. citizen working for Aramco in Saudi Arabia was allegedly discharged because of his race, religion and national origin. With over 3 million Americans residing overseas, ex-



ing, evaluating or coordinating government export promotion activity. Government support for U.S. export activity is split among at least 14 different agencies, each with its own priorities and direction. This is a disadvantage for American businesses, which find it difficult to get export information or assistance from government programs and services. In recent years, the United States has ranked last among its export competitors in export spending per capi-

Extraterritorial Application of Domestic Commercial Laws

The attempt to enforce American legislation in foreign commercial contexts is a source of concerp to Americans overseas. American val ues are not universally recognized or applied, for a variety of historical, Saudi Arabia on a pilot program to legitimate reasons. In many cases, it

traterritorial application of laws recognizing that these Americans should have their rights, benefits and privileges protected is an issue that FLAAG supports when there is no undue conflict with local laws. Indeed, with FLAAG's approval and support, Congress amended the Civil Rights Act of 1964 in part to reverse the Aramco decision.

FLAAG wants to know how you feel about these issues. When we present legislative initiatives to the administration and Congress, firsthand experience is important to support these efforts. Write us.

FLAAG's pos ion with regard to these issues has been developed primarily through consultation with its organizational members, many of which are affiliated with the American Chambers of Commerce.

Henry Valentino FLAAG, Washington D.C.

Hech Pr

dinton s

State Course of the State of

have be walked

terrament some and

Principal trade

Ame are intech

東京社 | 安京市を育ってる日本語

September 10 September 50

FLAAG Is...

The Federated League of Americans Around the Globe - a nonprofit, nonpartisan organization serving the needs and interests of all U.S. citizens abroad.

With its main office in London, FLAAG also has offices in Paris, Hong Kong and Washington. FLAAG's able to help you. In Washington we bring your concerns to the attention of the U.S. Congress and the administration. FLAAG seeks Improvements in such areas as taxation, citizenship, voting, education, medical coverage, business competitiveness and personal security as they affect all Americans around the globe.

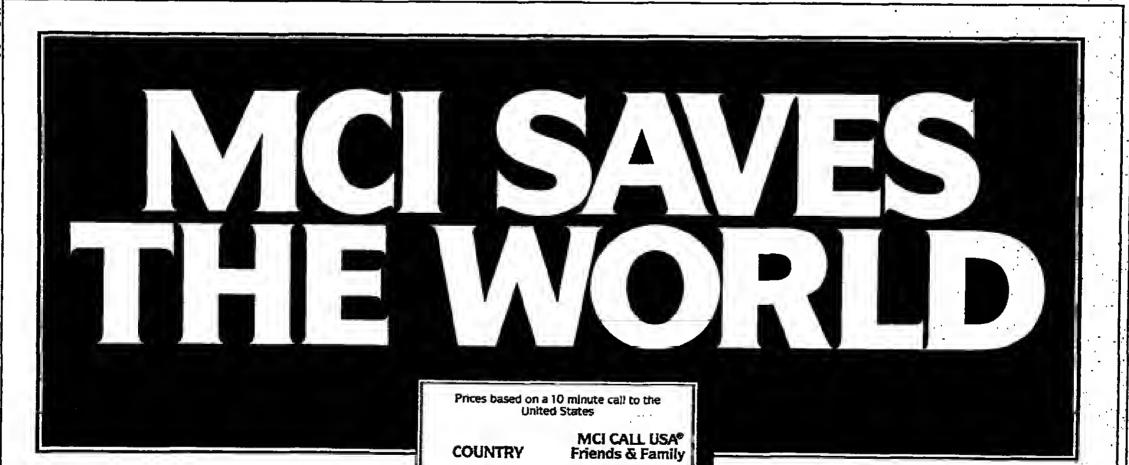
FLAAG offers its members a clearinghouse of reliable information, FLAAG-SHIP magazine, worldwide health insurance, international seminars and special events, a data bank and resource center, and global networking. FLAAG members can receive discounted telephone service, electronic mail and other telecommunications services through FLAAG's official telecommunications sponsor, MCI.

FLAAG members, both individuals and groups, live and work in almost every country around the globe.

Become a FLAAG member and receive the benefits of FLAAG services and activities and help all Americans around the globe. Complete the application on this page.

MCI Is...

MCI provides telecommunications services to facilitate customers around the world. The MCI Calling Card and discount plans of fer significant savings on calls to the U.S. and other locations. MCI also offers International voice, data, and electronic mes capabilities. For more information, call MCI's Paris office at 33-1-47.20.50.80.



\$10.49

\$10.36

\$10.86

\$10.49

\$10.36

\$ 9.44

Belgium

Germany

Netherlands

Prices effective as of September 1, 1992

France

Italy

U.K.

It's not that we've found a way to fix the ozone layer.

We have, however, found a remedy for the next best thing. Your international calling card bills.

In fact, we can save you an additional 20% on calls to the United States from over 60 countries throughout the world.

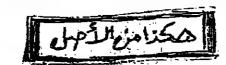
First sign up for the MCI Card. Then, join MCI's Friends & Family" program by listing up to 20 friends and family members in the U.S. who you call the most. If they are also MCI® customers (or if they become MCI customers), you'll save an additional 20% every time you use MCI CALL USA to call them. And along with your MCI Card.

this savings is an added advantage to MCI CALL USA's already low rates.

So before you recycle this newspaper, call MCI collect at 712-943-6839 ext. 803 to order your MCI Card.

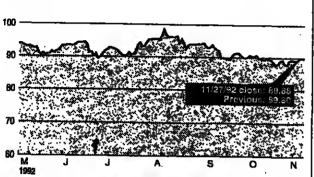
And the next time you look up you won't see the sky falling. Just your international calling card bill.

ACI is a charte sponsor o FLAAG









The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the len top stocks are tracked.

Asia/Pacific	Europe	N. America
Approx. weighting: 25%	Approx. weigning: 40%	Approx. weighting: 35%
110 Close: 83.20 Prev.: 82.99	Close; 89.86 Prev.: 89.55	Close: 96.96 Prev.: 97.06
100 — Up	- Just	- A4-
90	A STATE OF THE STA	***
90	The second second	Down
70		17.00
60		
JJASON 1992 World Index	JJASON 1982	J J A S O N

	Fri.	Prav.	change		Fri.	Prev.	clumps
Energy	90.16	90.68	-0.57	Capital Goods	91.12	90.96	+0.18
Utilities	85.75	85.79	-0.05	Raw Materials	88.84	88,46	+0.43
Finance	81.36	81.15	+0,26	Consumer Goods	92.61	92,63	-0.02
Services	99.10	98,98	+0.12	Viscellaneous	96.96	96.28	+0.71

For readers desiring more information about the International Herald Tribuna World Stock Index, a booldel is available free of charge by writing to. This Index, 181 Avenue Charles de Gaulle, 92521 Nauilly Cedex, France.

ECONOMIC SCENE

High-Tech Promoters Fight For Clinton's Ear on Trade

By Peter Passell_ New York Times Service

EW YORK - Is Bill Clinton in for clear sailing on trade? Don't bet on it. Although last week's compromise over subsidies for France's grain farmers apparently broke the stalemate on world trade negotiations and the momentum behind the North American Free Trade Agreement seems almost unstoppable, conflict still lurks on the horizon.

In no small measure, that's because the new administration is likely to be the first since World War II that is less than committed to freer trade. Indeed, trade policy sits on a natural fault running through the new Democratic coalition.

On one side is the economics and foreign-policy establishment, upscale academics and Wall Street power brokers who are convinced that open trade is the best defense against stagnation and political conflict in the

 $(\Xi, \xi) \cdot 2^{m} \cdot 1^{k}$

Activists say free trade isn't enough in technology.

industrialized world. On the other are assorted economists, lawyers and lobbyists who see trade — especially in high-technology goods — as a prime battleground in the post-Cold War era. Their badge of intellectual respectability is the "new trade theory," a modern critique of the logic of free trade.

Although the ranks of these trade "activists" — they do not like the "protectionist" label — may be small, their influence with congressional Democrats, Silicon Valley industrialists and the Clinton inner circle is large.

One of the rank, Laura D'Andrea Tyson, an economist at the University of California at Berkeley, holds a key position on the Clinton transition team.

Both sides agree that the classic rationale for protecting domestic industry — the "we can't compete with workers who live on a bowl of rice a day" argument — is passe. Both sides also agree that America's chronic trade deficit is driven by differences in national savings and investment rates, and is thus no indicator of foreign perfidy. But the activists part company with free traders on whether the composition of trade should be a critical government concern. The activists argue that the big winners in trade are the countries

that export goods from industries that generate fat profit margins, high wages and valuable technological spinoffs. And the way to end

See TRADE, Page 20

Gains in Income And Spending Lift Wall Street Stocks

WASHINGTON — An unexpected jump in consumer spending and incomes sent Wall Street stocks surging ahead on Friday as the prospect of more money in Americans' pockets during the Christmas shopping season excited investors.

The rise in stocks was led by cyclicals, companies whose fortunes fluctuate along with the broader economy. A series of strong economic statistics in the last few days, including one of robust growth in gross domestic product last quarter, has rekindled hope that the United States may finally be emerging from more than two years of recession and stagnation.

The Dow Jones industrial average gained 15.94 points to close at 3,282.20 in trading that ended two hours early because of the Thanksgiving weekend. Broader indicators continued to hit new records with the Nasdaq index, the Standard & Poor's composite, the New York Stock Exchange composite and the Wilshire index — the broadest market indicator — reaching another round of highs.

London's stock market, moving on hopes that an end to the U.S. slump would help pull Britain out of recession, closed at a record high for the second consecutive day. The Financial Times-Stock Exchange index of 100 leading shares closed at 2,760.1, up 18.3 points.

The Commerce Department reported that consumer spending, a key component of the U.S. economy, climbed 0.7 percent in October, while personal income rose 1.0 percent for the biggest gain of the year.

"Spending power has been bolstered by the large number of mortgage refinancings," said Robert Dederick, chief economist at Northern Trust, as lower interest rates have allowed homeowners to

See SPENDING, Page 16

Iran's Cuts Lead to OPEC Accord Oil Prices Rally but Failed Venezuelan Coup Plays Big Role

Compiled by Our Staff From Dispatches VIENNA — The Organization of Petroleum Exporting Countries struck a deal on Friday to reduce production in a bid to support weaken-

ing oil prices, with Iran apparently agreeing to make most of the cuts. Oil prices rose during the day, but dealers said much of the move came on reports of an attempted coup in Venezuela, OPEC's thirdlargest producer. North Sea Brent Blend, the

benchmark crude in international markets, was up 20 cents at 18.95 a barrel in late London The cartel agreed to reduce its production by about 400,000 barrels a day, or nearly 2 percent, to 24.9 million barrels a day, according to Iran's oil minister. Gbolamreza Aqazadeh.

Iran apparently agreed to cut its production to 3.5 million barrels a day from 3.9 million. "I respect and promise to reduce my produc-tion," Mr. Aqazadeh said. "I am sure prices

must go up."
Saudi Arabia was unwilling to offer a substantial cut of its own unless Iran took a quota below what it finally agreed to, delegates said. The deal covers the January-March quarter of 1993, but members vowed to try to cut their

output beginning Dec. 1.
"It is not the best they could have done but it has put a bottom on the market," said Nauman Barakat, a vice-president for energy futures with Merrill Lynch. He said it might take six weeks to assess whether OPEC was really cut-

ting production.

OPEC's current production rate, estimated at about 25.3 million barrels a day, is its highest in years and well above the group's previous

supposed quota of some 24.4 million barrels. Analysts believe prices are poised to fall sharply if OPEC cannot show some restraint. A plus for OPEC was that Iran, the group's

second-biggest producer after Saudi Arabia, signed the latest accord. It had dissented from the previous agreement, reached in September. That accord, Mr. Aqazadeh said, was hope-

lessly flawed because it set no precise output limits for each individual country. He pro-nounced himself "satisfied" with the new pact 'It is not the best they could have done but it has

Nauman Barakat of Merrill Lynch

put a bottom on the

market.

because it binds all OPEC members to "tempo-

rary allocations." OPEC officials explained that these allocations were a step toward an eventual return to formal quotas, which OPEC abandoned in 1990 after Iraq's invasion of Kuwait threatened to create a temporary shortage of oil.

One potential weakness of the accord is that it will allow Kuwait, which is still recovering from the Gulf War, to exceed its allocation during the first quarter of next year as its production rises.

Saudi Arabia's minister, Hisham Nazer, said that the level of output that is envisaged would

about match the likely demand for OPEC oil through March.

Several countries led by Algeria had wanted production cuts of at least 500,000 barrels daily, hut competing demands from Saudi Arabia, Iran, Kuwait and others to sell more oil could

not be reconciled within a lower overall ceiling. The new accord includes production from Ecuador, which at this meeting followed through on its plan announced in September to leave the cartel because it cannot afford the cartel's annual dues.

Ricardo Estrada, chief delegate of Ecuador, told reporters that OPEC understood the internal problems of his deht-laden nation and, if it ever returned, "we would be welcomed back."

OPEC officials say they do not think other smaller producers will follow Ecuador's lead. But complaints have been beard to Nigeria, Venezuela and Indonesia that their belonging at oil's top table does not stop prices being held at the mercy of the big Gulf producers.

Friday's accord was a personal triumph for Alirio A. Parra, 65, the oil minister of Venezuela who was elected OPEC's president on

Mr. Parra had to conduct delicate medianon between the Saudi and Iranian ministers, shuttling between hotel suites, while frantically telephoning Caracas, where a coup attempt was in progress. The rebels were later said to have

Engene Nowak, a senior oil analyst for Dean Witter Reynolds Inc. in New York, said Venezuela was the third-largest oil producer within OPEC behind Saudi Arabia and Iran.

(Reuters, AP, Bloomberg)

Digital May Lay Off 6,000 by Year-End

BOSTON — Digital Equipment Corp., which has been slashing its payroll, expects to cut up to 6,000 jobs in the quarter that ends in

December, a spokeswoman said Friday.

Some of the layoffs already have occurred at Digital, which has been hit by heavy losses, said the spokeswoman, Nikki Richardson.

She would not disclose what kinds of jobs would be eliminated.

Digital, the second-largest U.S. computer maker, employed about 108,500 worldwide at maker, employed about 108,500 worldwide at the end of its financial first quarter to September, after laying off 5,300 workers in the quarter. Digital's president, Robert B. Palmer, has confirmed that the company eventually expects to shrink its payroll to under 90,000 workers over the next few years.

Ms. Richardson said Digital expected to cut 5,000 to 6,000 jobs this quarter. A signifi-cant portion of those layoffs is expected in December as the quarter comes to a close, Ms. Richardson said a "large number" of the positions being cut are in Massachusetts and New Hampshire, where more than half of the company's American employees live and work.

By Kurt Eichenwald

New York Times Service NEW YORK - With hurri-

canes, a typhoon and a riot, this has not been a great year for the U.S. insurance industry. So, as the

claims stemming from all troubles

weigh down insurers and reinsur-ers, who would pick now to take

one of these companies public?
Try Kohlberg, Kravis, Roberts &
Co., the New York buyout firm

that purchased American Re Corp. just two months ago in a \$1.4 bil-

lion buyout.
The timing of the offering of 24

percent of the reinsurance compa-

ny, which essentially acts as an in-

surer for insurance companies, is

not as irrational as it might appear. Indeed, the dealmakers at Kohl-

berg, Kravis may well be muttering

their thanks for the recent natural

disasters, because they seem to

have brought on quick profits.

The planned offering, which is expected to raise about \$301 million,

is the fastest Kohlberg, Kravis has ever gone to the public markets with

a company it has purchased. Usual-

ly, the firm's practice is to take a

company private using a bittle equity and lots of debt, spend years invest-ing in it and improving its value, and then sell a portion back to the public

at a huge profit. That is how it was done with such home runs for Kohl-

berg, Kravis as Duracell Interna-

ed a loss of \$260,5 million, compared with earnings of \$11.7 million a year earlier before an extraordinary charge,

Mr. Palmer told stockholders at the company's annual meeting this month that it would be aggressively cutting costs and in-creasing the number of layoffs to get its

to accelerate the cutting, many have been been hesitant to comply. With the deadline looming, thousands of employees are expected to get termination notices in the next week or so.

But while Mr. Palmer instructed managers

"It's painful," one Digital manager said, "But Palmer has been telling the managers that either 20,000 to 30,000 people feel the pain, or 110,000 people will feel the pain." Once a haven for lifetime employment,

Digital, like IBM, is trying to survive the current industry slump with cuts and organi-zational changes. The turmoil at Digital has never been higher. "People are terrified," one employee said. Even those who manage to survive this round know more layoffs will almost certainly follow.

The layoffs were not unexpected. Digital

The Skies Look Brighter for Reinsurers

markets about two months after

buying American Re from Aetna.

Life & Casualty Co., Kohlberg,

Kravis is taking advantage of a window of profitability opened in the aftermath of the burricane

designated Andrew and other re-

disasters has triggered the biggest

shake-up in the reinsurance indus-

try to more than five years, leading

many analysts to predict that the industry, which has been suffering

through a long recession, is poised

for explosive growth.

American Re said just that in the

offering documents it filed with the

Securities and Exchange Commis-

sion this week. The company noted

that several factors - including the

hurricanes Andrew and Iniki, the

Los Angeles riots and a typhoon in Guam — "may favorably influence

property and casualty pricing, as well as reinsurance buying trends,

Stock prices of other reinsurance

Nov. 27

in the future.

But by turning to the public narkets about two months after the district about two months after the district about 25 percent since August. They eased 25 cents on Friday, to \$110.75, on the New

cent catastrophes. ance industries. This year, claims
The reason? The fallout from the for damages from various catastro-

recent natural disasters, because they seem

KKR may be muttering thanks for the

to have brought on quick profits.

York Stock Exchange.
The boom stems from the heavy

disaster-related claims that bave hit

across the insurance and reinsur-

phes have reached \$17 billion, ac-

cording to Gary Kerney, the direc-

tor of catastrophe services for Property Claims Services, which

That has had an impact on pric-

ing the strength of competition in

"The losses will do what we refer

to as harden the market," Frank

Nutter, president of the Reinsur-

ance Association of America, said.

"It will cause some of the soft pric-

ing that has existed for several

the reinsurance industry and the number of customers and the vol-

ame of business they demand.

monitors insurance claim totals.

ees over the last two-and-a-half years through early-retirement tocentives, layoffs and attrition. But that has not been nearly enough, to light of the stagnating economy and Digital's own problems selling its computer systems. Analysts say Digital needs to slim down to the size of the Hewlett-Packard Corp., a competitor with similar revenues but nearly

20,000 fewer employees.

Mr. Palmer acknowledged in an interview in October that 25,000 more layoffs were likely over the oext two years. At the end of the financial first quarter, the company had \$1.3 billion to reserve to cover the costs of the cutbacks. Digital is also in the midst of a sweeping restructuring, with many departments being consolidated down to eight to 10 business units and many projects being cut.

George Colony, a consultant with Forrester Research to Cambridge, Massachusetts, has watched the company cut costs before. "It feels different this time," he said, "because they are no longer cutting the lat, the nonperformers; they are cutting toto the muscle.

"But this is Palmer's charter. This is what "But this is Palmer's charter. This is what

the board told him to do. It's a General The layoffs were not unexpected. Digital Motors-type of situation: They've got to cut for its financial first quarter, Digital post-has already pared more than 25,000 employ-deep, hard and fast." (AP. NYT, Bloomberg)

years to be dropped. So these catas-

intuitive effect on values."

tropbes have an almost counter-

But price increases are coming

too late for some in the industry. A

number of reinsurers, bancred by

heavy losses, have begun to trim

their sails, essentially ceding some

business to the stronger competi-tors. For example, Scandia Group

Insurance Co. recently announced

plans to cut back its volume of rein-

surance business, and other compa-

nies have tried unsuccessfully to sell

With all of those factors converg-

ing, the Kohlberg, Kravis decision

to make a public offering opens up

an opportunity for American Re:

the ability to write more policies.

Under insurance-company rules,

companies can write policies in di-

rect proportion to their leverage.

That means that the higher the

So, with this public offering — which the SEC document says will

decrease the reinsurer's debt from

\$1.1 billion to \$875 million - Kohl-

berg, Kravis is essentially getting out

of the way to let one of its properties

catch what experts predict could be

a tidal wave of business

their reinsurers outright.

EC Currency Grid Faces More Strain

LONDON - Strains on the EC failed to defuse the tension. currency grid appear likely to increase in the next week after a Gerthat the Bundesbank would hold firm on its anti-inflation stance.

Currency dealers said speculators were expected to set their sights on the Irish punt and perhaps the French frane - one of the core members of the exchange-rate mechanism of the European Monetary System, which weakened to trading Friday.

The Irish punt remains a solid favorite for devaluation, possibly at the weekend, but certainly soon-er rather than later," said Jeremy Hawkins, senior economic adviser at Bank of America in London. In Dublin, Prime Minister Al-

bert Reynolds called a cabinet discuss the currency crisis affecting the punt, Irisb state radio said. The Deutsche mark was steady

after comments by Hans Tietmeyer, the vice president of the Bundesbank, who insisted, despite calls for a cut from European Community partners with weaker currencies, that German interest rates were "not so high."

The Bundeshank declined to throw a lifeline to the exchange-rate mechanism on Thursday and left its official rates unchanged. Pressure mounted on Tuesday when speculators targeted the French franc and Danish krone.

The punt was pinned to its lowest permitted limit against the mark this week. Irish voters dealt Mr. Reynolds a blow in a general elec-tion after his Fianna Fail party showed its worst results in 50 years. The punt was perilously close to its 2.6190 DM floor in the exchange rate mechanism at 2.6255.

Traders said currency turbulence was unlikely to ease as EC ministers prepared for a tussle over British proposals to freeze EC expenditure over the next three years.

Despite the strains, Mr. Tietdebt, the fewer policies that can be meyer said no big changes were necessary to the structure of the mechanism. He said he saw no reason for the Irish punt or Danish krone to be devalued.

Talk of devaluation forced the French franc to slip Friday, after statements Thursday by Finance Minister Michel Sapin on the importance to Germany and France Nigel Rendell of James Capel &

Co., one London economist who is man central banker said Friday convinced that there will be no devaluation, says France and Germaoy will stand firm behind the markfranc parities within the exchange-

He said one theory behind the

An inflation spurt dashed hopes of a German rate cut, Page 17. The Bundesbank outlook weighed on the dollar. Page 16.

persistent pressure was that speculators viewed the currencies in the mechanism as a sedes of targets. knocking them down one by one.

This may be because many traders — especially in the world's major foreign-exchange center, Lon-don — are skeptical of the political will and ability to make European monetary cooperatioo work.

■ DnB Raises Rates

Norway's battle to defend its krone started to hit the pockets of ordinary Norwegians on Friday when the country's biggest bank announced an increase in interest rates to private clients.

Den norske Bank said it would raise loan and deposit rates by a maximum of one percentage point beginning Tuesday. DnB is the first Norwegian bank to raise rates to private clients since pressures for a Norwegian devaluation erupted ist week after neighboring Sweden let its currency float.

ADVERTISEMENT

AMERICAN EXPRESS COMPANY (CDRs)

The undersigned announces that as from December 8, 1992 at Kas-Associati N.V., Souistraat 172, Amsterdam, div cpn.no. 62 of the CDR's American Express Company, each repr. 5 shares will be payable with Dils. 1.90 ner (Div. per re-date 02.10.92 gross \$ 0.25 p.sh.) after deduction of 15% USA tax = \$ 0.1875 = Dfls. 0.33 Div.cps. belonging to non-residents of The Netherlands will be paid after deduction of an additional term of the period of the Netherlands.

al 15% USA-tax (= \$0.1875 = Dils. 0.33) with Dils. 1.57 net. AMSTERDAM DEPOSITARY COMPANY N.V. 25 November, 1992

companies have been booming in **MOTOR YACHT** the past three months. Shares in



THE WORLD'S FINEST TRADITIONAL

The M/Y Massarrah (formerly Ultima II) at 257 (78 65m) II one of the largest private yachts in the world.

Built at the Kure shipyards, Japan in 1960 this classic yacht has been superbly maintained and lovingly restored and now even surpasses her former glory.

Equipped with modern communications systems designed with vast deck space and many day areas, the Massarrah is ideal for private use, corporate entertaining or as a Presidential or State yacht.

Lying in the Mediterranean. Price on request. For further details contact:

Mark Cavendish, Cavendish White, No:7, 39 Tadema Road, London, SW10 OPY Tel (44 71) 352 6565 · Fax (44 71) 352 6515

MUNICIPALITY OF RHODES TOURIST & HOTEL ENTERPRISES S.A. **EXPRESSION OF INTEREST**

The development and Management of the Hotel des Roses, Rodes Greece

The municipal enterprise "Municipality of Rhodes Tourist and Hotel Enterprises S.A." seeking to collaborate with a reputable firm for the Development and Management of the historic Hotel des Roses, anounces:

A CALL FOR THE EXPRESSION OF INTEREST from firms or groups of firms for the project.

The companies which will comply with the requirements of this call will be invited to submit a binding offer for the implementation of the investment plan of approx. \$100 million, the financing of the project and the operation of the facilities.

Expression of interest should be submitted by January 20, 1993. For project profile and further information interested parties can communicate with:

Municipality of Rhodes Tourist & Hotel Enterprise S.A. Tel: (0241) 37557-8 / 23801, Fax: (0241) 29696 or

Euroinvest S.A., Investment Advisors, Solonos 10, 106 73 Athens, Tel: 3609916-8, Fax: 3618563

CURRENCY & INTEREST RATES

Cross R	1.11	•							·		lov. 27
	5		DIM	F.F.	Lire	D.Fi	8.F. 540*	\$.F. 1207	Yes	C3	Peseto 195°
Lincterday	1.894		1.126	1.3315	LUP			72.50		25.75	28.50
3rvssels	33.05		25	6.000	2.331		45.				1384
Pronkfart	1,6037	2.02	_	0.2947	0.1145 *		476	2 1787		1.9374	1746
London (a)	1,5098	_	2/146	1,1921	2389.50	2.7204	25172	80,177			174.00
Acutris "	114.01	175,000	72.25	21,386	£251 *	64.26T 777.88	25/2	969.25		1,000,00	12.84
A) low		2,115.60	574.00	157.40		1785	25	1.00		1,207	115.25
les York (b)		1512 0			1,304.00		ANA	1740			4400
Parts	546	8,2146	3.3915	_	٠ 1967		2,7792	14.57		96.95	1.0514
'ekye	124.15	107.04	77.76	22.95	2.25	9.17	1307 °				1115
Toronio	1.2864	136	8,394	0.Z17	8.0FZ3		4347	0,67.30	1,1423		130 *
Zorich	1.4405	2.1835	E.9013	9269	6.1833 *			_			
EÇU -	1.2217	G.8006	1.9674	4	1,711,50	2225	40.3642	1,749		1.5677	141.727
SDR Closings in A	1,3567	8,5042	2.7643	7.072	1,009.10	2,4712		1,982		1.7764	158,758
Other D Smacy Lyent resp	Oila Per S 0.9901	Con	THICY sek druk	_ 20	8,78	Cerren	NG 33	'er \$ 06.00 9429	Curre S. Afr S. Kor	rand.	Per \$ 3,912 78430
Lestral. \$	1.4531		op Kone			L Zesk		454		icrops	483
watr. schiL	11.182		eg, forfa	- :		tore, k		25.20	Today		25.19
	9270.00		106 709	-		Phill. pë Polish 2	_	<i>0</i> 04.	That		25.49
process Amena			o, rusto			rousa z Port. es		470			8130.08
zech kerang						THE REAL	Tuble 4				14722
فصيدوا بالداموا			onti she			ced r		7495		bolly.	
SYPL Pound			ىلەر بىلىدىد			ilog S		437			
in, morida	5,1421	Ma	lay, rio	L 25	32 1						
orward	Red	tes									
MIT'RDCY		39-du/	48-day	79-0		arres.					TO day
coad Startin		15121	154			coods:	ap doller		1,2957		1.2959
AND COM MAIN		14121	1.057			granti	yên		124.48	124,49	124.50
	*	1.4513	1.4547	_							
					 8	s /Ba.	ecate) - I	1000	Comme	rciole i	loliona
witt trans Sources: INC							rs (Toki				

ECU 44% 99% 3m3m 8m3m 7¼-7¾ 7%-7¼ 6%-7 6%-6¾ 376-4 374-376 3 %-3 % 3 %-3 % 64-64 1136-111/2 3 m-3 m 8 m-8 m 4 m-4 m 744-7% **Key Money Rates** United States 7.00 7% 7% 7% 7% 8.45 7.00 6 % 7 % 7 % 7.00 8.38 ynch, Bank of Takya, Con Gold P.M. 334.10 334.05 334.06 A.M. 334.10 334.00 333.40 9½ 8¾ 8,90 8,90 8,60 7,33 91/2 82/4 8.50 8.50 8.40 7.30 New York lags; Zurich and New York ope. Ing Arices: New York Comex.

Dow Jones Averages

EUROPEAN FUTURES

MARKET DIARY

Outlook for Rates Leaves Dollar Flat

Compiled by Our Staff From Dispatches NEW YORK —The dollar stagnated on Friday as growing market skepticism about a German rate cut counterbalanced bullish U.S. economic data, dealers said.

At the end of a session rendered dull by the Thanksgiving boliday,

Foreign Exchange

the dollar was at 1.5987 Deutsche marks, up very slightly from 1.5960 at Thursday's London close hut off its high of 1.6060 DM for the day.

The dollar also rose a little against the yen, to 124.40 from 123.955, and the Swiss franc, to 1.4395 from 1.4320. But it slipped on the French franc, to 5.4275 from 5.445. The pound receded to \$1.512 from \$1.5205.

Traders said the dollar bounced up after the U.S. government reportad strong October data on personal income and consumer spending, but it subsided. Earl Johnson, vice president at Harris Trust & Savings Bank, said the dollar slumped when it failed to pierce 1.6050 DM.

The U.S. currency was impeded by German inflation data and bawkish comments from the

SPENDING: Strong U.S. Data

(Continued from first finance page) reduce their mortgage payments.

The spending and income news came on the day after Thanksgiving, typically the busiest shopping

N.Y. Stocks

day of the year and the beginning of a crucial time for retailers. Retailers say they have good reason to expect that this year will be

Surveys, including one released Tuesday by the Conference Board, have shown consumer confidence improving. The business research organization also found U.S. households would increase their spending on Christmas gifts to an average of \$400 from \$377 last year.

their best since 1988.

Specialty retailing stocks had already been rallying on perceptions that holiday sales will show strength. "I hear the mails are jammed today," said Richard Ciar-dullo, director of institutional trading at Eagle Asset Management. "I think it's going to be a very good Christmas.

Along with general retail stores, such cyclical groups as paper and forest products, and chemicals, were the most active sectors in the Standard & Poor's 500.

Tempering the seasonal glee. however, was a series of special factors that boosted personal income in October. These included large farmsubsidy payments, bonuses for auto workers, restitution to Japanese-

WORLD STOCK MARKETS

Hans Tietmeyer, which made a rap-

id cut in rates look very unlikely. News of a bigger-than-expected 0.5 percent rise in the German costof-living index in the month to mid-November provided more evidence of stubborn inflationary pressures in Germany, analysts said.

Mr. Tietmeyer said Germao monetary policy must stick to its anti-inflationary course in the face of large rises in prices and costs.

At the same time, some economists began forecasting a year-end dollar correction as trading winds down toward Christmas and traders cash in profits made on the dollar's 13 percent rally since early October.

"I wouldn't be surprised to see the dollar snowball back to the 1.55 marks again as we get into December, Christmas beckons and traders can cash in on a very profitable second half," said Ian Arnstad,

economist at Bankers Trust.
"The Fed's oot going to lift rates soon to the extent the market has been pricing in, and there's no strong chance the Bundesbank is going to ease before year-end un-less the whole ERM hlows up," Mr. Amstad said.

(Reuters, Bloomberg,

War II, a rebound in rent payments after Hurricane Iniki in Hawaii, and

early retirement packages for postal service employees. Excluding these special conditions, income rose an estimated 0.4

percent in October, the government said, a solid if unspectacular gain. October's seasonally adjusted annual rate of \$5.13 trillion in personal income follows a 0.5 percent increase in September, earlier reported as a rise of 0.7 percent. October's 0.7 percent gain in the

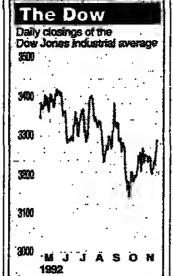
personal spending rate to a season-ally adjusted \$4.158 trillion follows a 0.9 percent jump in September, earlier reported as a 0.7 percent Wages and salaries - the most-

watched component of income rose 0.6 percent in October after falling 0, i percent in September. Economists were expecting the October wage gain because they have noted that employees are working longer hours.

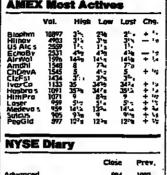
above the end of the previous week. The price of the Treasury's main

30-year bond, meanwhile, was down 21/32 point, or \$6.56 per \$1,000 in face amount, reacting to the income and spending data. Its yield rose to 7.59 percent.

shares on the Big Board, well above the 77 million shares that traded on this day last year.





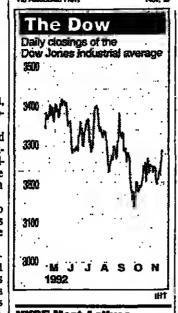


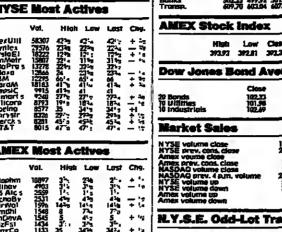
Amex Diary

NASDAQ Diary

Hope of a sustained recovery has

Frading in stocks was light, but still totaled about 107 million





S&P 100 Index Options

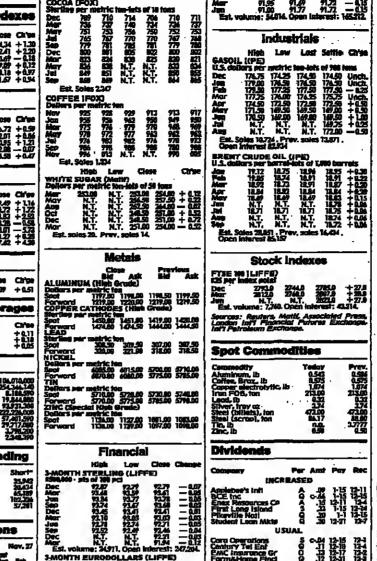
been rampant on Wall Street during a holiday-shortened week, as the Dow industrials rose 55 points More Funds for Eurotumnel

LONDON — The banking syndicate providing £6.8 billion (\$10.3 billioo) of credit lines to Eurotunnel have granted a waiver to allow Eurotunnel to draw further funds from the credits through May 1994, Eurotunnel said Friday.

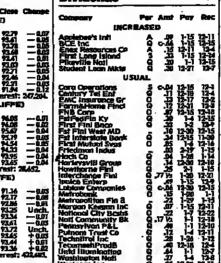
That date is well after the projected start-up of operations at the end of 1993. The continuation of the waiver depends on the final stages of construction and commissioning proceeding in line with expectations.

Permission to draw on existing credit lines has been required for several months because Eurotunnel fell into technical breach of a loan covenant earlier this year. Lenders on Sept. 30 allowed Eurotunnel to

High Low Prev. Close GERMAN GOVERNMENT EURO (LIPPE) **HYSE Indexes** BRENT CRUDE OIL (IPE) **NASDAQ Indexes** Stock Indexes High Low Cless Ch'99 393.93 392.81 393.39 +0.51 N.Y.S.E. Odd-Lot Trading







are worth about \$960.per \$1,000 face amount, or \$90 more than the \$870 per \$1,000 quoted earlier this week, analysts said. Shareholders already are sitting on a 29 percent gain since Westinghouse said Monday that it would sell some businesses, slash its

EC Clears BA Takeover of TAT as Attali Fumes

LONG GILT (LIFFE)

Compiled by Our Staff From Disputches
BRUSSELS — The EC Commission on
Friday approved British Airways' takeover of the French regional airline TAT on the condition that BA give up some flight slots if

competitors need them. The commission cleared the way for BA to take a 49.9 percent stake in the privately owned Transport Aerien Transregional with an option to pick up the remainder by April 1, 1997. TAT can oblige BA to exercise the option on that date.

option on that date.

In Paris, Air France Chairman Bernard
Attali blasted the commission's decision.

"Once more, following the Dan-Air deal, the
commission's competition authorities refuse
to subject British Airways to the same kinds
of rules followed in other cases, and partica-

larly for Air France," Mr. Attali said. The EC competition commissioner. Sir Leon Brittan, earlier this month allowed BA to take the the British regional carrier Dan-Air without an EC merger inquiry:

Mr. Attali said he was requesting an organt

meeting with Sir Leon to discuss the matter. Mr. Attali has strongly opposed the deal, ac-

Mr. Attali has strongly opposed the deal, accusing Sir Leon, who is British, of bias toward BA. Air France earlier was forced by the commission to give up its own stake in TAT. The commission cleared BA and TAT to form a joint venture to control TAT, which has 3.8 percent of scheduled air traffic in France. In return, BA will be obliged to surrender up to 12 landing/takeoff slots if another carrier needs them to start up or expand a service between Paris and London's Gatwack Airport.

There is no risk of the joint venture strengtheaing or creating a dominant position. "Ji said there would be some overlap on Paris-London routes, where BA's share of traffic will increase to 52.7 percent from 49.5; Air France has 32.9 percent, Taking into account BA's merger with Dan-Air, the new joint venture strengtheaing or creating a dominant position."

The commission to give up its own stake in TAT. To form a joint venture strengtheaing or creating a dominant position."

Paris-London routes, where BA's share of traffic will increase to 52.7 percent from 49.5; Air France has 32.9 percent, Taking into account BA's merger with Dan-Air, the new joint venture strengtheaing or creating a dominant position."

Paris-London routes, where BA's share of traffic will increase to 52.7 percent, Taking into account BA's merger with Dan-Air, the new joint venture strengtheaing or creating a dominant position."

Paris-London routes, where BA's share of traffic will increase to 52.7 percent, Taking into account BA's merger with Dan-Air, the new joint venture will control 98.6.

. BA will have to give up a maximum four slots if a competitor needs them to fly the Lyon-Gatwick route, once traffic on the route has topped 40,000 passengers a year.

The commission said in a statement that

U.S./AT THE CLOSE

Shearson and PaineWebber Fined

YOUNGSTOWN, Ohio (AP) - Ohio Bancorp said Friday that it had

A Westinghouse Windfall

NEW YORK - Bondholders have a chance to reap a windfall

from Westinghouse Electric Corp.'s plan to take a record \$2.83 billion charge and sell its unprofitable financial-services business.

The restructuring should make the Pittsburgh-based electronics and broadcasting company healthier and "that translates essentially into a buy" for about \$4.3 billion of Westinghouse bonds, said Jim

Drury, a Prudential Securities analyst. Some Westinghouse bonds

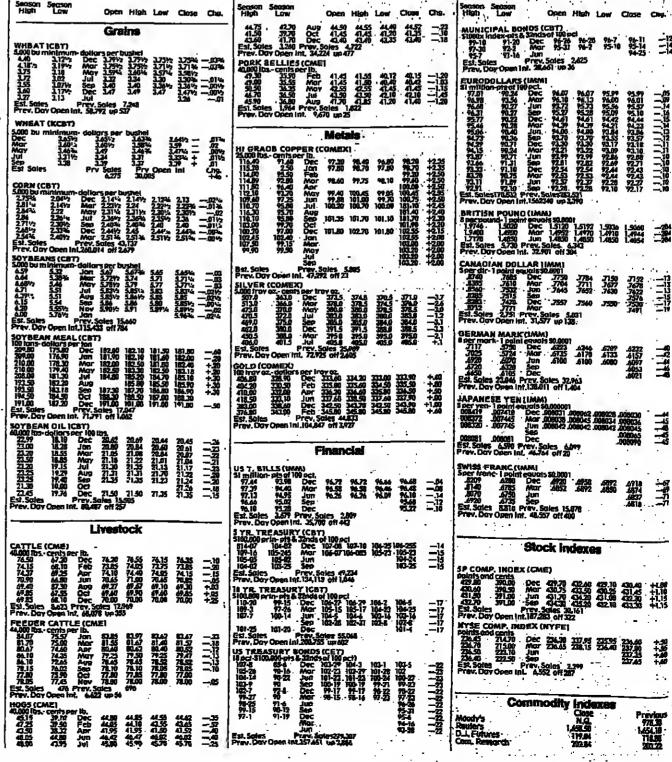
dividend and focus on its electrical energy, distribution and manufac-

turing businesses. Westinghouse stock has surged 29 percent in a weak. Investors are bidding about \$871 for Westinghouse's 8% percent bonds, due 2012, or \$119 less than the \$990.50 price they fetched

when the company sold them last August, according to traders at

Donaldson, Lufkin & Jenrette.

given-TAP's small share of the traffic in France and BA's absence from the market, "there is no risk of the joint venture strength-



Hong Kong

Bk Eost Asia 35.25 34.50
Control Pocific 10.10
Cheuna Kong 77.27 29.50
Chine Lieht Pwr 12.18 13.75 31.25
Doiry Farm Ind 1 12 12.18
Hong Lung Dev Hang Sens Bonk 55 54
Henderson Lond 16.50 14.50
HK Air Eng. 27 77.90
HK Chine Ges 15.71 15.50
HK Chine Ges 15.71 15.50
HK Chine Ges 15.71 15.50
HK Chern Hith 6.50 16.60
HK Lard Trust 12.31 15.50
HK Shern Hith 6.45 6.35
HK Shern Hith 6. \$20 Paulo
Bonco de Brosii 346
Bonco de Brosii 346
Bonco de Brosii 346
Brodesco 250
Brothma 1250
Paronaprimen 1251
Paronaprimen 1251
Paronaprimen 1251
Paronaprimen 1250
Vorig 120 Docs 546
Vorig 120 Docs 546
Parenaprimen 12572
Previous 145227 | Prankfurt | 155.2015.0.0 | De Beers | 2 | Corrector | 3 | Co

Montreal
Ajcon Aluminum
Bank Mentreol
Ball Canada
Benbardier A 104
Benbardier B 104
Cambier
Cambier
Camcides
Dendrus A 64
Dendrus B 144
NG. AlacAllion Bi 145
NG. Matti Sk Canada
Pewer Carco.

Alberta Enersy
Am Barrick Res
Bit Nova Scotla

81.57 81.57 80.52 79.67 78.52 77.00 78.00

Prices Hit German Rate Hopes

FRANKFURT — Consumer prices in Western Germany accelerated further in November, frustrating the Bundesbank's efforts to contain inflation and dashing hopes that the central bank will

lower interest rates any time soon.

The Federal Statistics Office said Friday that The Federal Statistics Office said Prinary that consumer prices in Western Germany climbed 0.5 percent in November from October and were up 3.7 percent from a year earlier.

It marked the fourth straight month that the annual inflation rate had accelerated. In July, the inflation rate was 3.3 percent.

-

inflation rate was 3.3 percent. "It is certainly not the sort of figure that will lead the Bundesbank to lower interest rates quick-ly," said Ulrich Beckmann, economist at Dentsche

Bank. "Inflation will also remain too high next Economists, who had been expecting that inflation would ease to about 3.5 percent, said the rate now could hit 4.5 percent in January, when Germany raises its value-added tax rate to 15 percent

from 14 percent. The inflation news, which had been foreshadowed by jumps in prices reported by several Ger-

man states earlier this week, offset signs of moderation on the wage front Friday. Germany's largest public-sector union, OETV, set a more mellow tone for 1993 pay talks when it

Soft Market Hits Michelin

PARIS - Michelin's shares, which had risen steadily on a recovery in the

tire market, suffered a relapse Friday as the company said it would reduce working hours at European plants because of accumulating stocks.

The price of shares in the company, whose full name is Compagnie Generale des Etablissements Michelin SCA, tumbled 4 percent to 177.60

The company said workers would be asked to stay home for periods of

two to 12 days in December. "The current situation in the car market forces

us to adjust production in our European units to what is absolutely necessary," a Michelin spokesman said. Outside France, the group has factories in Spain, Italy, Germany, Britain and the Netherlands.

made an initial demand for a 5 percent pay rise.
In Boun, the Interior Ministry rejected the demand as "completely exaggerated due to the current difficult economic and financial situation."
Such a raise, it said, "would burden the public the problem of the problem. budgets by an additional cost of about 21 billion marks," or some \$13 billion. Nevertheless, the demand was barely more than

half the 9.5 percent the union had demanded at the start of last year's turbulent pay round. It also was close to the unofficial goal set by politicians and economists of capping wage rises across German industry at around 4 percent — roughly the inflation rate — in the new pay round.
"I can imagine that the Bundesbank would be

satisfied if we could bring wage rises down to 4 percent," said Norbert Braens of Barclays de Hans Tietmeyer, the Bundesbank's deputy pres-

ident, said before the inflation figures were published that German monetary policy must hold its anti-inflationary course because of sharp rises in prices and costs.

"The problem of excessive cost and price rises in Germany has not yet been solved to our satisfaction," he said in a speech in London. "What is essential now," he added, "is that the needed fiscal and wage policy decisions are made soon and convincingly."

Volvo's Belgian Plant To Lower Output in '93

BRUSSELS—Volvo AB's plant in Gheat, Belgium, will cut production by up to 7,000 cars in the first six months of 1993 by suspending work on Fridays, a company spokesman said Friday.

declining to give more details.

DASA and BMW Rolls-Royce "We want to prevent stockpiles," said Guido De Vilder, public relations manager at Volvo Ghent.

but that Volvo might review the

measure if sales picked up.

The plant produces 400 Volvo 850 models a day. The decision af-fects 2,400 workers at the plant. Mr. De Vilder said the decision reflected lower car sales in Europe. to provide funds for just one such

began discussing the joint development of a jet engine for medium-sized passenger aircraft this sum-mer. Originally, both BMW Rolls-Royce and MTU had planned to develop jet engines for aircraft comparable to the Boeing 737. But the German government's decision

Daimler

Seeks Tie

With Pratt

Bloomberg Business News

Royce GmbH, another big manu-

facturer. It is 50.5 percent owned

by Bayerische Motoren Werke AG and 49.5 percent by Britain's Rolls-Royce PLC.

Rolls-Royce didn't get anywhere, because BMW Rolls refused to be a

junior partner in such a venture,"
Mr. Schrempp said. "Uoder no circumstances," he said, would DASA
have allowed BMW Rolls-Royce to
gain control of DASA's unit MTU
Motoren & Turbinen-Union Friedishelte for Grahi-

"MTU has traditional strategic

links with Pratt & Whitney, and we are now eying the possibilities of a enoperation with them," Mr.

Schrempp said. At the same time MTU is seeking cooperation with a

Japanese jet-engine maker, he said,

drichstrafen GmbH.

Talks between us and BMW

Russian Aide Balks At Debt Demand

MOSCOW — A government minister said Friday that the Paris MUNICH — Daimler-Benz
AG's Deutsche Aerospace arm is
seeking cooperatioo with United
Technologies Corp.'s Pratt & Whitney unit, DASA's chief executive
said Friday. Club of creditor nations was asking Russia to pay more than \$5 billion in debt repayments in 1993 but that this was oot realistic.

Deputy Prime Minister Alexander N. Shokhin restated that Moscow could not afford to pay more than \$3 billion to service debt next The executive, Jürgen Schrempp, said the approach to Pratt & Whitney, a manufacturer of jet engines year. He refused to say exactly how based in Hartford, Connecticut, came after DASA dropped plans for a venture with BMW Rollsmuch the Paris Club wanted Russia to pay in 1993 but said it was more than \$5 billion.

"This is not realistic for us," he added.

Russian officials say debt payments totaling \$38 billion fall due the government would hold 38 to next year of the total \$70 billion owed by the former Soviet Union. The debt is now managed solely by Russia. Previously, Russia and Ukraine had been bickering over whether Ukraine might take responsibility for a portion of the Soviet debt, to make Ukraine eligible for future Western financial assistance.

Mr. Shokhin said Russia's position on debt repayments had been dictated by its balance-of-payments situation.

"If the demands exceed what we can pay. Russia will have to increase its sales and exports of arms and petroleum," he said.

Creditor governments grouped under the Paris Club failed to reach an accord this week on rescheduling the foreign official debt of the former Soviet Union, but sources familiar with the negotiations said Friday that talks would resume in a

few weeks. According to the sources, who spoke on condition of anonymity, the delay on a settlement was project caused the companies to consider a joint venture. more a political than a financial

Yeltsin Orders Oil Privatization

Compiled by Our Staff From Dispatche MOSCOW --- President Boris N. Yeltsin of Russia signed a decree on Friday ordering all state oil enterprises to be privatized within three years.

All Russian organizations in-

volved in extracting, refining and transporting petroleum products must be converted into joint-stock companies, according to the de-cree, which was drafted in October.

49 percent of shares in the privatized firms for a period of three years. The share issues should be completed by the end of the year. Interfax said foreign investors would be offered no more than 15

percent of the shares and that the oil and oil-product pipeline network would remain under state control. (AP, Bloomberg)

With President Boris N. Yeltsin of Russia under pressure at home from oppositioo groups and a People's Congress session coming up creditors apparently were wary of signing a "politically charged" debt

In October, creditors said they expected an agreement hy late November, provided a number of issues were settled: a standby arrangement between Russia and the International Monetary Fund, bonoring arrears on past debt payments and a firm legal framework for servicing the former Soviet debt.

Investor's Europe Frankfurt London **Paris** FTSE 100 Index **CAC 40** 2100 2700 2000 1600-1800 -2480 M/M1580 -----1700 -2300 1496 J. J. A. 1992 2200 j j A S'O'N' 1992 1600- j. . j. A SON Exchange Friday Close Prev. Close Change **CBS** Trend 103.20 103.20 Unch. Amsterdan 5,558.16 Brussels Stock Index 5,565.20 +0.13 Frankfurt 1,522.95 1,523.18 -0.02 Frankfurt 601.12 -0.28 Helsinki HEX 849.79 856.69 -0.81 London Financial Times 30 2,077.50 2,056.00 +1.05 London FTSE 100 2.741.80 +0.67 Madrid General Index 215.30 214.77 +0.25 MIB Milan 867.00 874.00 -0.80 1,739.68 Paris CAC 40 1,749.66 +0.57 Stockholm Affaersvaeriden 994.15 969.05 +2.59 Vienna 345.38 347.20 0.24 Zurich 626.20 +1.05

Very briefly:

· Lord Spens, a former merchant banker, was formally acquitted Friday of conspiracy and fraud charges arising out of the marathon Guinness PLC fraud trial stemming from the 1986 takeover of Distillers PLC.

• Dawson International PLC, the Edinburgh-based textiles and knitwear group, said it had bought the retail operations of the designer Edina Ronay for an undisclosed sum.

• Medeva PLC, a pharmaceuticals company, reported pretax earnings of £26.1 million (\$40 million) in the nine months ended Sept. 30, up from £7.8 million a year earlier.

Novo Nordisk A/S of Denmark is negotiation to build a factory io China to supply the Chinese market with enzymes, according to the Berlingske Tidende newspaper.

• BfG Bank of Germany has bought Plumtree Court, an office huilding in London, for £80 million (\$121 million) and expects to gain an initial yield of more than 10 percent through leasing the offices.

• The Malaysian government has approved the purchase of Short Brothers PLC's Starburst air-defense missiles for its army, Defense Minister Najib Razak was quoted as saying in The New Straits Times.

Reuters, Bloomberg, AFX, AFP

Michelin shares have risen over the year from a low of 120.50 francs, helped by firmer demand for tires and prospects of technical innovations. But nine-month figures published last week indicated the market had turned down again, with Michelin's revenue dropping 10 percent in the third quarter, to 15.49 billion francs. (AFX, Reuters, Bloomberg)

Revenue and profits or losses, in millions, are in	Thorn EAL 1st Helt 7992 7991 Revenue 1,545. 1,261.	Germany	Jepan	Switzerland
local currencies unless otherwise indicated.	Per Share	Bayer 9 Months 1997 1991 Revenue 31,747, 32,520.	Kometsu 1st Half 1992 1991 Revenue 420,550, 464,400.	9 Months 1992 1997 Revenue 29,130, 28,848. Profit 1,740, 1,838,
Argyll Group 18t Helf 1992 1991 2,579. 2,679. 1971 177.50 1971 177.50 1971 1975 1	Vodafone 1st Half 1992 1991 Revenue 1992 285.31 Profit 169.27 129.77 Per Shore 0.3076 0.0676 Canada	Prefex Net 2,224 2,640. Doinnier-Benz 9 Mooths	Profit 1,420, 10,841. Per Shore 1,420, 10,841. Alitsubishi Corp. Ist Heif 1992 1991	United States Litto Industries Ist Quor. 1993 7992 Revenue 1267, 1261. Net Inc. 4276 4132 Per Shore 133 191
BET 7st Hast 1992 1991 Revenue 1.134 1.232 Profit 48.59 71.50 48.50 71.50 48.50 48.50	Bank of Monireal 4th Quar. 1992 1991 Front 160.00 175.90 Par Share 1.17 1.25	Schering 9 Months 1992 1991 Revenue	Revenue	Morgan Stunley Group 3rd Quar. 1992 1991 Revenue 7,229, 7,738. Net Inc. 110.57 121.77 Per Shore 124 1.52
British Gas 3rd geor. 1992 1997	Year 1992 1991 Profit 440.9 595.00 Per Share 476 463	Thyssen Year 1992 1991 Profit 390.60 520.00	1st Hotf 1992 1997 Revenue 264,132, 271,970, Profit 10,110, 13,290,	9 Moeths Revenue 5,587, 4,998, Net Inc. 368.65 342.74 Per Shore 425 431 Penney (J.C.)
Revenue 1,411, 1,344. Protin (o)1989 210.00 o: Lass. Net results on a his- toricul cost basis.	France Euro Disney Year 1992 1991	Volkswegen 3rd Quer. 1992 1991 Revenue. 19837, 17.016. Profit 104.00 195.00	ARB	3rd Quar. 7972 1991 Revenue 4342 2,937, Net Inc. 18600 11600 Per Shore 150 0,93

12.Month
12.

Tyson Foods ear. 1992 stue 1.150. nc. 47.56 shore 0.34 afts 1992 due 4169. nc. 160.53 shore 1.16

EC: New Rift, Old Cause — Money (Continued from page 1) Norman Lamont, Britain's chan-

round up other supporters, such as Greece and Ireland, by offering to back the poorer EC nations in their money demands if they will line up to protect French farmers. Britain, currently serving a six-

month term as EC president, pro-posed to hold Brussels's share of spending steady for three years at the current level of 1.2 percent of the Community's overall economic ontput. After 1995, that share would rise gradually to a cap of 1.25 percent in 1999, raising EC spending to an estimated 80 Euro-pean Currency Units (\$98.5 billion)

cellor of the Exchequer, described his government's new spending proposals as "more modest and less extravagant" than those advanced by Jacques Delors, president of the EC Commission.

Mr. Delors, however, attacked the British budget blueprint as con-trary to the "spirit of Maastricht," according to the chief commission spokesman.

There is still time to knit together agreements within the Community. hut many officials are expressing concern that fraying European uni-

U.K. Clears Allied-Carlsberg Venture

LONDON — Allied Lyons PLC and Carlsberg A/S said Friday they would proceed with the merger of their British brewing and wholesaling operations, after the Department of Trade and Industry cleared it.

The venture, Carlsberg-Tetley Ltd., will include Carlsberg's British hrewery and Allied Lyons' six. It will have annual sales of more than £1 hillion (\$1.5 billion) and a 19 percent share of Britain's beer market. Michael Heseltine, the secretary for trade and industry, said he had agreed to changes in a recommendation of the Monopolies and Mergers

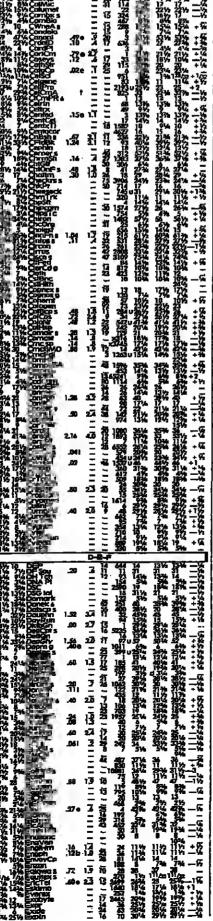
Commission on the merger that was seen as difficult to implement. Allied-Lyons will now have to free a further 400 pubs from exclusive supply agreements above the number already freed. It would have had to amend its agreements with its pubs so that tied tenants would be free after concern that fraying European uni-ty could unravel even further if no two years to buy half their lager requirements from suppliers of their choice. (Bloomberg, Reuters)

Priday's Prices

NASDAC prices as of 4 p.m. New York time.
This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is

updated twice a year.								
12 Month Hagh Low Stock	DN	Yid	PE	58s 100s	High	Low	otest	Christ
			Ā		-		_	
AN TOWARW BO	AA	1.3	29	405	34.75	44	34	
JA TO ABO	.604	1.3 23	#	223	2534	257	25%	+ 0
M. P. ASK		-	170	・窓	2014	1774	1772	_0
7'S 95 Abboytt		Ξ	AR.	102	777	14	196	-
24 14 Accorn		=	25	110	30	25	30	-
1% Adocto	.16	34	18	***	2/12	23.2	.77	+10
A Adnoup	.32	130	17	.172	1,17	13.2	137	7.52
4 J AdvCre		1.0	40	690	414	37	1	- 7
695 64 ADVPOLV		Ξ	市场情况 经免费	165	9	1	672	+ 17
A'S ADVILO	1	-	13	109	34	2	Fine	: 4
74 AdVTES		~	-	IBIE	II.	104	11.	1.02
A I'M ADVOM B	- 20	13	衧	J. 35	025	220	2.75	+17
15'4 Advoluc		=	24	13	337	停	7817	÷.
Y AUNCUR		Ξ	12	膋	1772	-372	1	-
TIM AKED	1.00 0	30	18	540	2477	14	36%	+ 7
A low Algeria		3.0 	28	12	14	1373	16	
21 /2 Alexand	.88	3.9	12	1233	22	333	772	∓ %
A A COTTO		Ξ	=	1	11	104	102	- 2
4 14 A OCOPC	.80	SÃ	=	Ä	18.7	54	13.	- 4
SALL ALICON	1,150		33	101	77.7	15.4	13'4	= 5
2 lo AldGp	.64	27	12	12	₩.	300	7	: 2
S Allegon		=		. 27	17.6	13.5	13%	-7
100 to 100 mg		_	20	'没	1972	禄	19	7.0
3 14 Marie	.40	27	-3	23	27**	334	22	_8
3 434 TE WAR		=	-	135	5%	514	. 20	+ 4
97-807-40		=	18	18	15	1494	4	-5
23 4 24 200	.86	211111111111111111111111111111111111111	一日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日本の日	465		47%	22%	+ 76
ALL DESCRIPTION OF		=	-	477	119/22	177	吸	<u>一</u> 便
A 514-14-1		=	15	320		1	ΤÝ	
. B	2.04	**	4	1395	35	33	34%	_'»
19 SHOW	.32	13	13	172	473	1	477	: 12
1339-5-TURBER	~~	=	=	100	77	73%	717	_,**
5 Almoni		==	7	107	77	24	7*	g:
4 14 AMECCOS		=	373	353	4	564	77%	- 7
SIG APPOINT			-	160	134	13.7	172	∓ 2
22 4 Andrew			17	100	17.7	27	120	_i _
11 14 AppleC	.48	3	i3	4162	27	77	56%	÷
Apisou s	.09	3	3	끊	多次	24.7	27%	+i."
's 10'A ADIOSCI S		=	29	799	清点	光袋	376	:72
11 Applimu		=	700 - 1743830 - 53	-7	12	13.	14%	***
A APPENDED		Ξ	33	なると	3076	30	37	
A THE APPENDE	.20	.9	71	-25	117	5.	1112	-3
17 914 Arcico	-24	3 1391 22	11412 B 174 174	137	19	糖	1224	_
8 Arkeest	12e	-1	=	1185	16.5	B	1020	÷ 72
2 25% Arrived	44	27	72	301	30%	201	37	٠,
1734 Arthurint	.04 e	_2	δî	.33	777	整	77%	+ 1/2
ASSOCITI		=	24	425	14	10	14	_0
4 22 5 Alisar	.49	13	13	542	36	24	3	+ 7
ANTHE	.32	1,4	19	57.	15 %	8.	15%	∓%
S. S. Albert		=	(B) 427 430	114	10	25	10	##
34 Auros		·-	4	登,	3	47	1	二泛
Autoing	,4B	120	得	露	14	100	154	
M 4Y Azior	_	_=	- C	723	7%	-	/%	_=
V. 4014 651 V	100	72	÷	7077	2016-	795-	2944	+ 1/2
6" BE ABTO	7,00		11 21 20 19	164	1217	13.	133	+ 14
JA BALC SH		=	27	355	472	άŢ.	άĶ	-5
VI ISM BAVIP	.24	3	19	100	24	25%	22	_‡%
4 34 BOCK			=	144	7.4		674	- 14

33	948	3674	36	37	+ 14
14	蕃	112	D.	117	_3
3 (1412 514 (14 514) 5 5 516) C THE WELL SAND I STORE IN 1715 1716 1716 1716 1716 1717 1717 1717	1185	A STANKE AND PRODUCE OF THE PRODUCE	3"	露	* * * * * * * * * * *
14	2	2%	觀	200	: %
34	**	914	號	14	-76
19	蜀	. 15 m	F	1974	÷Ž
靐	114	12gm	1	10	-2
1	籧	16	輕	樣	
<u>"</u>	123	770			二
31	E S	25% 1255 17%	773	蒜	: %
16	器	44	36	200	÷ ½
-	14	14%	14.4	147	- W
첉	襏	穀	敠	籡	+1%
10	216	24 % 45 %	然	畿	- 65
13	罢	137	K	羉	+ 1/6
15	壽	377	熱	怒	— <u>%</u>
17	弱	釜	骙	裂	-1%
20	138	49 49 49	374	374	+1%
经	14	8.	数	氦	-%
16	劉	뀵	杂	酰	-2
装	蜀	1414	37	120	+%
21	矲	874	έν	ŽV.	ΞĘ
Ā	墨		100	1514	- 4
Ξ	476	97	. ģ.	72	-5
- 17	瞬	712	ź.	24	-
jj 21	鑑	34		銧	-6
- 罗	透	64	10%	鮾	-
37 14	湿	3574	104	藍	-2
23 रा	300	274	松	÷,	+5
¥	100	21	1	2] 24	- 14
4	- 75 296	27%	23y	4	=#
16	181	27 %	77%	271/2	-%
	-				-



Yid PE 100s High Low-Lorest Ch'90	12 Month St.
- 30 141 17 354 362 +36	High Low Stock Div Yid PE 108s High Low Lotes* Ch'se
HILLSTONE BY AND THE CONTRACT OF THE CONTRACT	7 12 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
= 31 114 177 177 - 17	25 2500 X 27 37 37 -7 4 2 3 18 20 19 20 4 2 3 18 20 19 20 4 2 3 18 20 19 20 4 2 4 2 3 18 20 19 20 4 2 4 2 3 18 20 19 20 4 2 4 2 3 18 20 19 20 20 4 2 4 2 4 2 4 2 4 2 4 2 4 2 4 2 4
= 15 334 16 167 17	27 1 21 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
## 41 (851 40284) ## 16 1 8518-8585 34 11 11 11 12 12 24 24 11 11	THE PROPERTY OF THE PROPERTY O
17 cd 14 27 374 12	20 137 137 13 14 15 15 15 15 15 15 15 15 15 15 15 15 15
1 1 n n n n n	27 112 Ellent - 1 17 2 17 27 - 17
T 20 175 20 20 + 16	** *** *** *** *** *** *** *** *** ***
- 91 16 1911 192 1 102	5 4 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5
. = = z)發υ若以 袋 袋 +2,,	State Concect In 18 to 19 State In
	100 201 1 10 10 10 10 10 10 10 10 10 10 10 10
= 14 150 16 14 14% ±30	1.17 (1) 1.24 (1) 1.25 (1) 1.2
27 17 48 22 21 21 3 21 3 4	14 44 45 FISURE 10 880 W 14 144 +5
31 位 福 福	18 20 Flanns 1.44 30 18 507 32 32 32 32 - 12
· 7 多 3	25/4 7 Fischim 19 143 844 814 814 154 - 14
	18% 84 Edibase 11 17 25 1262 6% 690 690 +10
1.0 26 18 29 204 29 + 14 - 75 3006 2416 234 2414 - 14	1
= 50 714 usi 164 304 +144	20 20 20 20 20 20 20 20 20 20 20 20 20 2
= = 320 11/2 11/4 11/2 + 1/2	20 30 14% 13% 15% = 4
= 30 154 256 26 264 = 10	2214 17 Fremen 1.00 3.7 7 14 27 2617 2617 - 14
= 11 148 57% 50, 50% +14	53'4 32'5 FUFHB # AB 1.3 14 15'4 37'4 35'4 37'4 + 1'5
17 19 20 17 10 17 17	### 13
1 3 31 34 33 86 TO	30 BMGT1 144 7 Gentes = 17 35 13% 13% 13% 13% + 14
- 3 300 Bit 20 700	21% 94 GOCHI = 21 156 21% 21 21% +44
- 12 822 16% 16% 16% 10% 12°	111/4 4 Genet To 33 332 46/4 45 46/4 - 12
= = = = = = = = = = = = = = = = = = = =	14 6/4 Genesis 21 71 131/4 131
# 13 19, 17% 17% = # 2 19% 19, 19% + 6	
	66 y 32 Genevin - 724 45 44 444 + 4
语 1 260 新花 新 · · · · · · · · · · · · · · · · ·	36 17 STEEN 40 13 3 1 24 27 27 1
13 & 50 AF AF AF 12	3 15% Storie 40 21 21 104 10% 10 10% 15%
13 19 12 11 1 12 11 +12	24'4 94'C Bood 48 14'4 13'2 14'4
18 19 20 41 17% 17% 17% -12	74 Goodsy = 12 114 115 114 115 115
3 1263 U 15% 14% 15% +%	31 19 Goods an 33 16 at 714 204 7715
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	772 8 4 Graces on 7 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
= 134571 276 542 842 +2 vs	194 21/2 Grid To 2.44 19.1 = 44 12% 12% 12% 12%
A CONTROL OF THE PROPERTY OF T	10 Griff in 2.44 19.7 - 44 1294 1294 1294 1294 1294 1294 1294 1
32 28 50 ft 37 ft + 17	5½ 24/s Grosmin _ 52 1176 4½ 3% 4½ +½ 26-4 16 Growtr _ 16 333 18½ 17¼ 18½
2	25 9 FIBO 30 13 30 727 2414 2314 2315 -14
974 13% 12% 12% + 14	154 174 174 174 174 174 174 174 174 174 17
	334 35 Handin 44 7 7 3 444 45 474 + 4
- 25 6522 25 254 26 + VA	1996 9 Harmilic 30 - 6 20 10 27 26 26 - 14
= 300 312 305 314 ±15	张 江田市 A B B B B B
- No 186 186 186 -16	4 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
23 - 1 - 20 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
= 16 16 16 20 20 20 20 ± 16	31 7% Heart = 181 17% 17 17%
20 2 48 294 294 295 176	16% 10% Helents .16 1.6 15 26 19 18% 18% 18%
	1244 23/14 Herbite .16 1.3 21 1270 1276 12 1274 + 46
= = 214 197 207 307 -17	120 17 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
D-8-F	
3 11 11 11 11 11 11 1	
	I-J-K
= 115 My 11 11 15	1915 84LSTAT - 94 1115 104 1115 + 14
	20 11 4 10 Cm 1 = 45 450 v 20 4 19 4 20 4 19 5 10 4 10 4 10 4 10 5 10 6 10 6 10 6 10 6 10 6 10 6 10 6
37 17 32 45% 45 45	201/2 15 16/8000 = 44 . 274 301/2 294 294 = 27 151 211/4 204 21 + 1/4
27 15 27 27 27 27 27 27 27 27 27 27 27 27 27	37% 15% 115 23 1 1 1 CTc 23 14% 15% 15% + 6
20 打 好 5 5 5 4	324 104 PLSV = 35 12 22 31 22 + 4
= 2 39 U25 343 254 + 17	2019 814 Impor 23 22 84 814 814 +17
13 17 18 17 18 17 18	2 2 24 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
	69 22% munex = 451 484 47% 48 +14
7 4 1 4 4 4 4 4 4 4 4 4	17 51% innumeror - 249 104% 1890 1034 + 17
25 7 45 184 11/2 11/2 14	13% 5% Inflocut 34 73 12% 114 114 -4
三月照 時 鐵線 法	26% 16% Ingland 1.16 43 13 22 23% 24% 24%
13 2 198 24 26 2 14	34 189 informs 4 2 180 314 304 314 +1 319 59 informs 4 2 188 324 314 314 -14
27 17 30 254 264 25 -4	18% 101/2 inforum = 50 231 1036 1036 1036
2 29 242 34 33% 33% 34 — 4	174 94 month 9 63 1046 947 18 -46 1246 496 1046 9 124 12 124 12 124 12 124 12 124 12 124 12 124 12 124 12 124 12 124 12 124 124
_ 8 7 5% 5% 5% — %	14% 14 Institute 14 4 27 150 25% 24% 25% + 16 14% 14% 14% 14% 14% 14% 14% 14% 14% 14%
三气器 磁 音 热 球	17 27 18 1 1 2 1 1 2 1 1 1 2 1 1 1 1 1 1 1 1
	7% 34 mgCv = 3 6 6 6 6 6 7 6 7
- 11 112 132 32 32 32 3	11% 5% Individual 100 7 3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
	14 12 3 14 14 14 14 14 14 14 14 14 14 14 14 14
[] 在 [] 年 迎 强 — 5]	25% 17 18 18 18 18 18 18 18 18 18 18 18 18 18
三氢羧基 经第二日	14 2 25 25 25 25 25 25 25 25 25 25 25 25 2
= - 3 1 14 134 EV	2/4 15 MD664 184 184 1776 18 + 18
וא אוו אוו אוו אב	7% 1% infroit 100 155 5% 5 5 -% 15% 5 5 -%
·连秦 蔡 [谜 [[[]][[]][[]][[]][[]	27% 14% Internal 27 7 14% 13% 13% 13% 13% 13%
T 18 3 74 74 -5	17 6% interes 24 1280 16 76 - %
25 75 114 114 114	TG 24 24 25 27 77 76 26 27 27 27 27 27 27 27 27 27 27 27 27 27
2.3 13 9200 9434 25 95%14-1	25 VA 15 VA ISON DE 25 VA 25 25 VA I VA
	25 (4 15 16 feormal): — 26 118 25 14 25 25 16 + 16 15 15 14 79 18 15 15 16 16 16 16 16 16 16 16 16 16 16 16 16
22 15 9899 2034 25 25 16 16 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	25% 15% Rounds
23 15 94分 244 25 25%—116 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	250 150 Second
THE STATE OF THE THE PROPERTY OF THE PROPERTY	###

1.90 4.30 1997	pean Currency Units (\$98.5 billion) at the end of the decade from about	t)
997 993. 5.50	\$82.3 billion currently.	p
	12 Month High Low Stock Div Ytd PE 100s High I	and the
CONTRACTOR OF THE PROPERTY OF	Hain Low Stock Div Ytd PE 100s Night 1 11/16 644 (cricity 18 18 18 19 197 10 19 19 19 19 19 19 19 19 19 19 19 19 19	934 2437
-8	1314 57 Kerson 36 1.8 36 32 49 1314 54 Kerson 44 52 39 1014 1014 14 Kerson 40 27 99 879	10
=	906 17 Key Tri 306 22 Key Fo 1-16 44 11 59 244 17 19 18 18 18 18 18 18 18 18 18 18 18 18 18	24 M
-2	15 77 Sineth 15 13 17 145 1000	
Z	2734 101/2 Krystol 39 354 U 2844	28
3	1219 22 544 LOPOTO - 63 694 1219 244 LOPOTO - 518 694	017
Ċ	120 844 Codder - 518 854 1204 Constra 68 20 17 594 35 274 21 Constra 68 20 17 594 35 274 21 Constra 68 20 19 48 244	歉
Ź	27 13 24 1 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	学) #
\$5560 FEB.	16% 5% Lwyr fel 20 412 27% 16% 6% Lwyr fel 27% 6% 17% 6% 17% 6% 17% 6% 17% 6% 17% 16% 16% 16% 16% 16% 16% 16% 16% 16% 16	談
- (,	30 30 4 10 10 10 10 10 10 10 10 10 10 10 10 10	
4	35 to 21 to 15 to 15 to 17 77 84 to 15 to 15 to 17 77 84 to 15 to 16 to	20 %
Z	713-15 Linguis 220 24 20 21 21 21 21 21 21 21 21 21 21 21 21 21	7744
SPEER	26 6 7 4 1 not 9 32 12 5 24 6 4 4 23 1 not 9 31 4 5 24 6 2 4 4 23 1 not 9 31 4 5 2 32 107 2 34	歠
۲	27% 7% Lposm 610 14% 17 17 10 Lisetz 17 15 137	歐
1,2	13 % LingSite s 755 445 3179 15% 15% 15% 15% 15% 15% 15% 15% 15% 15%	24
N T T T	164 124 ASCOTE 24 304 U204	94
	25% 4% MTCEI - 14 4000000	Š.
32.5.26	2714 1974 Moraline 1.00 12 31 62 1646 2714 1974 Moraline 1.00 12 34 622 0279 3294 2994 Miktiwen 1.04 13 11 2 3114	1
5	TA COMMITTEE IN 13 1 2 114	教
	187 5% MOTESTS — 46 97 12 13 14 15% 1	20
S.	2994 1794 Microm 26 1160 2344 18 vs 494 Microm 11 878 18 vs 24 20 vs McCrow 5401 34	3
Ä	29 209 McCor 9 At 1A 24 407 2944 5019 129 Medamun — 33 2244 22 12 Medamh — 38 6 2174	No.
7	361/2 13 Medicary 114 9 15 74 164/4 136/4 20 AbddAdd 7 74 27 33 4 17 18 63 263/4	11/2
ž	30ha 1 Medicis 1994 8 Member 14 9 24 1073 1894 1 2944 54 Member 24 30 1106 1	热
19.9	44½ 33 AlereBic 1.40 3.2 10 210 44½ 4 32½ 23½ AlereBic 86 2.7 15 81 32 2½ 4 AlereBic 86 2.7 15 81 32	ev.
4	25% 20% Myrdribe 1.26 4.8 12 1.325 25% 27% 27% 27% 27% 27% 27% 27% 27% 27% 27	854.
4	15% 8% MerriCos 13 10 13% 12% 12% 12% 12% 13 10 13% 12% 12% 12% 12% 12% 12% 12% 12% 12% 12	1344 2014 121/
25.5	20 17 St 77 170	į,
7	25 1214 Microcu 25 334 U364 25 154 U364 154 154 154 154 154 154 154 154 154 15	şu.
4	14'4 2'4 Microty — 2046 6'44 19'1 3'4 Microty — 9 84 6'4 20'1 6'7 Microty — 20 66'1 9	從
ć	1/ 1/4 Morars = 20 180 1414 1 95 414 Morars = 35 5351 231/2 1	374
15 S	1896 9 MidAH 21 279 1746 1 1994 694 MidSh - 1239 1736 1 18 3 394 MidScp - 1239 1736 1	7¥7
ŭ,	274 18 Adjuster 3 17 17 17 17 17 17 17 17 17 17 17 17 17	272
7	17 10% Mohawk 01 1 24 566 24 37 374 287 Moles 01 1 24 566 24 374 287 Moles 01 1 24 166 24 374 287 Moles 01 1 24 166 24 374 375 375 375 375 375 375 375 375 375 375	34
21.8	1) 74 Mornico 04e 4 441 1974 274 174 274 174 274 174 274 174 274 274 274 274 274 274 274 274 274 2	1
S.	274 194 Multimid h = 653 274 1 274 145 Multimid h = 653 274 1 1945 1 Myraden = 8 41 274 1	in.
3	646 115/16 AAylex 217 6 N-D-P-Q	544
7	2814 157 NS BCD 32 12 8 803 2744 2 3114 314 NVIEWS 20 14 15 184 15	77
8	294 12 NOTTHE TO 2.5 22 354 1354 3 134 134 NIComsk .70 2.5 22 354 1354 3 194 124 NIComsk .70 2.5 16 261 16 1	21. 57.
8	17% I Mooto A4 3.5 22 12 12% 1 21% 9% NotWorks _ 3 422 U49% 4 47 21% NOWNLE _ 3 422 U49% 4	,
7	35% 22% Negro	经
200	1814-17 Natifies 67 1645 1634-94 NathCrup 533 1559 1 2545 8 Nites 27 1346 1739	44
2	21 64 Neuron 22 3 20 2744 2 25 174 Neuron 22 3 20 2744 2 164 124 NE Bus 86 42 22 386 1644 2	04 24 34
Ķ.	12/9 16 Nw/mag 37 54 Nw/mag 12/9 2004 1 12/9 2004 1	34
2	17 10 Nation 1 17 31 1646 3 41 54 2014 Nation 1 2.25 7.1 26 32 3	14
7	57 30% Nordsin s 48 18 24 34 48 4 674-25% Nordsi 32 8 25 1496 344 3 144-4 4/2 Noodsin c 187 644	7 °
8		2
2	26 74 Novius 26 200 164 1	
8	177 147 Oct 217 217 217 217 217 217 217 217 217 217	1,

• •	-	-				
	_	SIS 100s		****	12 Months Sks High Low Lotes Ohy Yid PE 100s Ohy Y	
YId		1005	High	1 Low Lines! Ch'ge	High Low Stock Div Yid PE 100s High LowLorest C	h oe
13	17	994998	25	934 934 -14 2413 254 -14 10 1934 +12 77a 78a -15	20	
1.8	36	翌	1034	197 - 197 -	24% 12 Orocle 117 3936 21 20% 21	
57	=	99	Sh	7% 7% -45	19 10% Orbsel 15 477 8% 8 8	=%
.7	67		227	2634 2634 + 76	164 6 Orbotch .99e 63 - 30 144 1412 1412 -	-12
33	įş	159	25%	表 255 · ·	30 190 OchBA .41a 18 28 29 29 29	- 1/2
-13	39	.687	157	14% 14% -%	24% 10% Outliegra = 17 30 17% 16% 16% -	
=	37	354	∪28 K	爱 经过+1-	13% 895 PC SV = 13 . 5 13% 13% 13%	+ 17
L					1 1312 614 PSC = 25 152 1917 1814 1914	٠.
144	26	46) 518 2849	42	411/4 411/2 -1/2 01/4 61/4 -1/2	130	- 12
Ξ	-	510	87	Dys 84 -17	46% 11% POCIFICAS 25 463 45% 45% 45%	74
20	17	594	3	336 344 + 15	124 10 Pocoph = 26 114 104 114	٠,
4.0	19	250	134	734 734 ±4	54 2014 Parmit + 7 1769 5315 5114 5314	. 1
Ξ	22	154	26-6	25% 25% -10	48 344 Pentoir .98 24 12 102 404 40 404	_15
17	20	硰	327	374 33 -4		-5
-	75	42	14%	14% 14% -15	150 100 100 100 100 100 100 100 100 100	_2
	24	SALES NATIONAL SALES NATIONAL PROPERTY OF THE PERSON NATIONAL	33.7	2015 212	44 70 Period	=
Ξ	-	135	184	18% 18% -6	11. 32 ProxTc = 43 33 54 32 54	. 14
-74	23	2	24	81 81 -3	11 37 FIRST - 18 12 12 12 12 12 12 12 12 12 12 12 12 12	-17
2,3	17	1064	34	774 : 17	53 10'4 PicTel 48 640 254 25, 254 -	_1
24	20	4D4	78.2	7734 7814 + 76	28 20 4 PlonGp 84 31 11 21 28 27 77 -	
-	=	377	32.2	29 29% + %	254 2014 PionGp 84 11 11 21 28 27 27 27 4 3017 1994 PionHis 48 20 14 805 24 7 24 27 27 27 27 27 27 27 27 27 27 27 27 27	+ 14
3.7	13	51	24 14	3 3 3 3 C	17v, 12 PloinSF 20 12 _ 10 17v, 17% 17%	: '
3	32	1025	24	22 22 -×	174	-72
-	ā		112	102 105 - 5	14 6½ Polymed = 309 12½ 11½ 12	-12
=	-	. 55	iäV	100	15% 5% 5mAnes - 17 122 14 13% 14	. 4
~	, ac	. 86	357	24 25	25 1214 President - (2 - 289 27% 27% 27%	: [2]
3	19	7366	344	366 365-15	494 32 1 Prette 72 17 27 27 434 424 434 -	-4
=	24	364	2034		144 44 Proced	
=	14	36	14	经和文	20 24 2000	
4.3	引	62	16%	1842 - 18	28 177 Prof le .92 3.3 9 702 0 23 20 28 4 28 4 28 4 28 4 28 4 28 4 28 4 2	. 0
34	걺	433	37,42	27 27 284	1	- 95
では、日本の日本日本の日本日本日本日本日本日本日本日本日本日本日本日本日本日本日本日	197% 11579% 14 4 - 5776 52800 524 55 5 50 - 1258 - 17 6 27 以 12572011112	1504-807-95-86-86-85-25-25-25-1-86-85-85-85-7-87-7-87-7-88-85-85-85-7-87-7-87-7-88-85-85-85-85-85-85-85-85-85-85-85-85-	3114		100 100 100 100 100 100 100 100 100 100	-
27	17	II.	.15	174 174 -4	27% 5% 70% 00 00 00 00 00 00 00 00 00 00 00 00 0	_
Ξ	25	887	ารูท	914 914 W	124 314 POSCHEC 1.36 29 15 777 04676 46 4617	
Ξ	10	184	101/2	342 442 - 5	19% 0V Puregoc 12 43 14 1315 1315 1315 - 36 20 Puritigen 12 7 95 24 3414 3414 2414	->-
=	10 19 26 11 26	1140	254	25% 25% _=	17% 6 PyrmT = 187 10% 16% 16% 16% 16% 16% 16% 16% 16% 16% 16	14
,7	ä	5601	34	32% 32% +14	27 124 24 Chartes 27 17 17 17 17 17 17 17 17 17 17 17 17 17	**
'2		37	22.7	217 217	170 170	
I.	4	5528	154	34% 34% - %	214 13 12 Quelon = 21 21 25 21 25 2	- 12
-2	3848 1574 18	77	33	33 19 32 19 -14	10 18/2 Quantum 10 1001 15 14% 14% -	-7
17		117	微	134 113/14 + 14	1734 a Quenter = 27 1734 17 1734 1	. 14
3.0	24	1073	184	124 7% -%	30 20 PTUBE: 1.08 3.2 7 148 33% 33% 33% 33% 33% 33% 33% 33% 33% 33	V _k
뀴	12	210	#	114 114 +W	D_C	-
13	24 10500000000000000000000000000000000000	10	TOTAL TOTAL STATE OF THE PROPERTY OF THE PROPE	10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1734 2 2 2 2 2 2 2 2 2	<u> </u>
43	13	骚.	167	84 104 + Vi	10	- 12
=	撸	296	13%	10% 10% + 10	21% 8% Rollvs 5 29 304 20% 19% 20%	2
4	25	HANGE AREA	1975	28'4 2044 · 35	23. 11% ReLig 77 37 16 16 16 16 2 -	
17	44	쬟	STATE OF THE PARTY	724 ,722 -	2314 714 Regerrn 200 1414 1315 1315 -	10 1504 1558 - 1558
Δï	24	3	7	274 74 -4	836 41/2 Rostrook 317 8 616 416 616 -	-5
	25	354 u	354	35. 35.4 + 5.	29 10'4 Schling's 36 109 1835 1736 1736 -	٠.
=	٠,	_ñ	774	2 74 - 12	1944 446 Retur 40 1007 1746 17 17 -	-14
=	3	- 34	7	64 +4	13% Se Reson 9 67 11% 1] 11%	
Ξ	3	814	.š.	84 -4	19% 12% Riched .14 8 12 57 18 17% 18	_
Ξ	鸳	535	921	91 97 - 77	974 374 Registry 1.30 1.9 19 299 7014 67 6974 -	
Ξ	žī	279	174	176 174 -4	3644 131/2 RistPhr 171 201/2 193/201/2 - 101/2 534 RistPhr _ 14 537 93/2 834 9 3	. 15
=	=	1239	1736	1674 1744 - 56	26 164 RooConti 86 181: 184e 1046 - 2076 119 Roper 16 9 _ 22 184e 184e 184e 184e 184e 184e 184e 184e	7
3.1	54	13	25	27 27 + 54	26 4 RossCs 5 _ 23 538 1016 1046 1017	-4
23	17	122	32	127a 127a + 14	27 18 18 18 18 18 18 18 18 18 18 18 18 18	-1-2
3	ŽŽ	476	1612	15% 16 + W	12% 74Ryon - 73 1475 11% 11% 11%	: 🖫
-1	24	140	724	31 5 31 36 + 15	五五五 15 3 25 67 77 77 77 1	12
1.ii	夏	338	77.4	2674 27 + 4	134 165 E	, lie
=	43	/授	杂	等等:	24% 11 SLM	=
Ξ	8	102	7	31 74 - E	54775 Aug. 4 10 19 10 40 30 30 30	4
Ξ.	Ξ.	217	6	17-18-18-18-18-18-18-18-18-18-18-18-18-18-	15	
<u>~-</u> 0-	*	1477	361/	38% 38% 4 1	18% 85 Soplens 200 18% 18% 18% -	. آنوا س
1,2	Ž	19	274	77 274 · Vi	3417 254 ScholCp 31 78 3374 3374 3374	S
17	15	184	1\$	14" 144 + 4	3514 2314 Schilms 28 19 20 216 1912 2514 2915 1	136
28	7	356 u	3514	3212 35 - 15	9144 4314 Scirned 24 555 5217 5114 5214 -	
î	22	112	įŽ34	127 124	445 29 G Scher Ase 1.1 14 1196 42 4 41% 41% -	1
=	3	422 v	27	47 484 +3	24% 13% Scotts - 415 17% 17% -	-17
=	3	1139 .	gy.	#C #" : "	194 74 Septide 1 0 3008 19 16 16/2 -	4
Ξ	Ξ	36	133	15% 15%	221/3 16 Selection 1.12 5.4 8 1/0 211/2 2014 2014 1 1594 694 Seprect 553 101/3 18 181/3 -	15
=	=	200	157	144 144 _4	17'n 77's Sequent = 42 2623 15 14 % 15 17's 244 Sequent = 330 34 34 34 34 =	ű
=	报.	器	徽	14. 14% = 14	1594 6 SrvTch 16 20 11 11 11 12 20 20 14 22 21 21 22 21 24 22 4	Á
3	5	15	234	10% 11 + W	17'4) 13'4 Shokidge 17 23 15½ 16 16½ . 12'4 6% Shorwd 18 153 12'4 12 12	12
42	뀵	淝	1312	134 134 —7	22 16 Signocon 23 87 18 17 18 17 18 18 17 18 18 18 17 18 18 18 18 18 18 18 18 18 18 18 18 18	¥,
Ξ	_ 1	124克 1937	1024	3014 3014 —14 1744 1814	27 6\s SierSm 11 3k3 14\s 14 14\s 14 14\s 12 24\s 34\s 34\s 56\s Tuc 26 227 5\s 4\s 5\s +	6
Ξ	17	3)	1674	1574 576 + 54	57% 41 SigmAl 30 3 31 126 57 56% 56% —	4
7. i	=	24 572	37	314 314 -	27% 134 SmihF 27 121 27 20% 20% 18 4% SmihF 27 121 27 20% 17% 18	= 1
176	绉,	34	4) 1814	9 92 15	18% 64 Saffing = 1340 021% 18% 19 -	8
17	17	쐟	647	614 64 .G	15 76 SMEET 1971 1971 1971 1971 1971 1971 1971 197	7
52	17	,1	277	800 800 E	27'4 17'4 SoffSoc = "17 38 25'2 25' 25' -	- 54
-	ā e	142	มู่ห	30% 30%	2014 599 Serrifia	5
=	20 24	300	ğ¥.	102	Try Sonice I I To The Try	4
=	21	277	级	23 23% + 6	9 90 9 10 10 10 10 10 10 10 10 10 10 10 10 10	17
ø	12	捌	III II	가장 가축 =	77'-4 20'-4 Soutrests . 78 3.2 18 1497 24'-4 24'-4 24'-4 - 10'-4 4'-4 Sov'-3cc . 16th 1.6 12 114 18'-4 10'-4 10'-4	*
끊	1Ž	셺ળ	11 % 21 %	광 길* +전	37 17 9 5 6 7 6 7 7 7 9 9 9 9 9 9 9 9 9 9 9 9 9 9	12
5.9	=	23	2917	29/2 29/2 - 15	15 15 15 15 15 15 15 15	**
	(i		63% 163%	### 15 15 15 15 15 15 15 15 15 15 15 15 15	15 15 15 15 15 15 15 15	*
•				-20 1077 -		

Sk	12 Month High Low Stock DN Yid PE 189s High LowLatest Chige
Div Yid PE 190s High LowLoresi Chige	
12 11 12 12 12 12 12 12 12 12 12 12 12 1	1/4 Sue Tich
117 3936 21 20 4 21 + 14 15 471 814 8 8 - 79	18 43 Seminary 280 18 51 666 855 150 750 750 750 150 150 150 150 150 150 150 150 150 1
Spe 43 - 30 14% 14% 14% - 15	19th 3t Stooper 37 2 19th 19th 3t 19th 19th 3t 19th 19th 3t 19th 19th 3t 19th 19th 3t 19th 19th 3t 19th 3t 19th 3t 19th 19th 3t 19th 3
	10 Souther
30 1707 1636 1636 36 48 181 4414 4314 4414 + 36 13 5 1316 1317 1314 + 15	April 27 Store 1.03 31 56 507 74 50 50 50 50 50 50 50 5
= 13 15 194 182 194 17	1897 999 Station's 41 1.0 22 1840 tr 42 42 42 1845 1897 999 Station's 13 137 1434 1414 1497 14
1.00 0 7 13 200 804 574 504 13	311411 SteinArt = 184 311 3014 31
25 45 45 45 45 15 -4 25 45 114 164 114 114	344 72 StwStv s .20 .6 25 153 30 32 32 32 4 14 25 4 16 4 5 16 4 5 16 4 16 4 16 4 16 4 16
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	34% 27 SwStv 5 20 .6 25 153 30° 32° 32° 4 6 25° 150 30° 32° 32° 4 6 25° 150 30° 32° 32° 4 6 25° 150 30° 32° 32° 4 6 25° 150 30° 32° 4 6 25° 150° 150° 150° 150° 150° 150° 150° 15
	5714 2614 Shriyeer D50 11 40 753 3614 351 3614 31 12 13 13 14 15 Sullonis 80 42 16 35 21 22 22 21 10 10 10 10 10 10 10 10 10 10 10 10 10
	1
MACHINE BENEVAL TO THE PROPERTY OF THE PROPERT	361/2 201/2 SunAtic 71 4732 31 20 31 4 4 4 4 30 4 18 SunTV
- 37 177 21 402 21	18 4 9'4 0'6 8 19'7 19' 19' 19' 19' 19' 19' 19' 19' 19' 19'
60 123 1574 15 15 -54	23/4 5 Sun TC
A TABLE IN THE PARTY OF THE PAR	200 18 Sum V
34 37 11 21 28 27 27 37 3 3 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	20° 17° 17° 18° 18° 10° 18° 18° 18° 18° 18° 18° 18° 18° 18° 18
14 11 12 12 12 12 12 12 12 12 12 12 12 12	21 15 A Symotor 5 32 13 25 5 441 672 472 1 4 6 7 6 7 6 7 6 7 6 7 6 7 6 7 6 7 6 7 6
- 5 12 13 13 13 13 - 16	75 314 Symerton
= 20 10 10 10 10 10 10 10 10 10 10 10 10 10	37'0 16'46 5'0 511w 5 18 5 25 1311 u 38 16'1 37 17 8'1 3'46 5'45 132 5'4 5'4 6'5' 132 5'4 5'4 5'4 6'5' 132 5'4 5'4 5'4 5'4 5'4 5'4 5'4 5'4 5'4 5'4
Market & Mar	
11 25 15% 15% 15% 15% 15% 15% 15% 15% 15% 15	7-U-V 記2112185 ユロス 30 31 31 2 304 31 - 12
20 7 90 100 200 200 100 100 100 100 100 100 10	21 11 11 12 22 23 24 24 24 24 24 2
20 7 70 20 20 20 20 20 20 20 20 20 20 20 20 20	28 1125 272 574 574 574 175 217 14 TNT Fri 28 13 44 2114 21 2114 17 80 354 751 67 154 814 TRACOV 25 55 1114 1854 1114 115 1374 337 TSI CO 25 1114 1854 1114 1154 1154 1154 1154 115
20 7 19 19 19 19 19 19 19 19 19 19 19 19 19	21
.92 32 9 702 025 150 250 150 150 150 150 150 150 150 150 150 1	31% 24% TW Hid of 570 31% 3 34% 1 1% 31% 1 W 131% 1 W 131
1.06 3.2 7 144 33% 32% 33% 33% 4	131/2 161/2 TorgetT = 21 157 150 49 49 49 47 1 131/2 161/2 TorgetT = 1 1307 271 261 261 271 271 271 271 271 271 271 271 271 27
THE THE THE TANK OF THE TANK O	1
12 7 95 24 344 364 264 -6	700° 14° 14° Tecnol 31 144 24° 25° 26° 26° 26° 26° 26° 26° 26° 26° 26° 26
24 \$4602745 27 2715 - 36	20/5 13 TelCrnA 22/7 19 10 10 10 10 10 10 10 10 10 10 10 10 10
- 167 10% 10% 10% 50% -166	26% [5% Telains 20 113 231/2 23 13 23 24 25 25 25 25 25 25 25 25 25 25 25 25 25
= 7 M 20 30 30 10 10	18's 5% Tetro 22 1'1 99's 8'4 6'5 38's 38' 15 Tevo 19e 271 U.38's .3'1's 38's 15 47's 38's 15 48's
77 77 254 254 254 274 174 174 174 174 174 174 174 174 174 1	24 9% 3Com 90 1080 22% 21'5 21'5 3% 42'5 9% Tocorii 97 17'1 12'5 13% 11'
28 15 2 20 20 20 20 20 20 20 20 20 20 20 20 2	26**** 12*** 1 elabos 1.2 193 23*** 23*** 13***
.20 13 14 270 13 13 13 13 4 _	1819 194 Telepito
R-5 72 2.8 72 175 2534 2546 2546 —5 10 8 8 35 1354 1734 1734 —5	184 3M Teira 196 5 22 131 392 384 364 364 384 384 364 38
72 2.8 78 125 2554 2554 2544 1254 125 125 125 125 125 125 125 125 125 125	This do frictions 11 1434 14 14 14 15 15 14 15 15 15 15 15 15 15 15 15 15 15 15 15
14 62 20% 204 204 14 14 14 14 14 14 14 14 14 14 14 14 14	19th
- 18 26 27 2015 2415 - 1 - 18 26 27 2015 2415 - 1	7% 305 UNR 1.28e17.1 8 190 1 6% 7 10.0 1905 7% USHimor's 22 4 10% 10% 10% %
= 45 107 1242 1242 1243 = 1 = 317 18 6% 44 6% - 56	1905 77 USL Cong 52 24 10-4 1057 1042
187 (20% 12% 12% 12% 12% 12% 12% 12% 12% 12% 12	28-4 16 20 mBnk 1.40 5.2 10 6 27 5 76 5 26 4 - 44 33 4 24 4 0 Pen pre 2.00 31 4 24 4 0 Pen pre 2.00 31 4 24 4 0 Pen pre 2.00 31 4 21 4 21 4 21 4 21 4 21 4 21 4 21 4
1.77 e 21 1744 6044 594 6034 178 179 179 179 179 179 179 179 179 179 179	3114 2434 UPong off 2.00 2144 1414 UCongly
	77% 24% Unigen 1869 3 41% 41% 41% 41% 41% 41% 41% 41% 41% 41%
1.30 1.9 19 250 7014 19 19 17 15 15 15 15 15 15 15 15 15 15 15 15 15	
	51'- 72'Yo US Hims 52 1.1 27 3066 47'- 45'- 46'- 1
14 .9 _ 22 18% 18% 18% - 4	51. 77 N LIS Hims 52 1.1 27 3066 27 2 45 4 6 1 1 24 12 4 US Robit 27 26 27 27 27 12 12 12 12 12 12 12 12 12 12 12 12 12
27 239 204 204 204 — 17 1 22 29 1412 134 14	514 27 W. U.S. Hiffins 52 1.1 27 3066 27 V. 454 46 1 — 1 24 Va. U.S. Hoffins 52 1.1 27 3066 27 V. 454 46 1 — 1 25 Va. U.S. Hoffins 52 1.7 2 67 27 21 V. 21 V
- 73 175 114 115 154 - E	1865 6 VLSI 287 774 774 775 46 251) 714 VolTech 1814 74 721 2214
.15 3 25 967 29 2746 29 - 12 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	364/27 Valvec 1.78 13 12 8 144 161 160 16 57-124 Valvet 100 18 16 1774 56-1 56 56 56 56 56 56 56 56 56 56 56 56 56
16 19 17 18 19 18 18 18 18 18 18 18 18 18 18 18 18 18	32% 19th Verrici 579 77% 26% 27% 1
· · · · · · · · · · · · · · · · · · ·	35/2 14/4 Versite 27/4 14/4 13/4 14/4 17/4 17/4 14/4 14/4 14/4 14/4 14
44 10 12 457 540 554 554 15 15 15 15 15 15 15 15 15 15 15 15 15	17/4 6/4 Vertich
10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	10
31 77 33% 33% 33% - G	25 of Violetic 27 760 10 17 173 - 34 1414 69 Violetic 27 174 17 114 1746 - 14 25 10 Violetic 27 760 20 1013 1025
28 9 20 216 294 294 294 196 194 1 28 297 1734 1644 17 2 24 527 274 574 574 17	771/ 1346 Vitings 39 262 26 251 26 — (a 351/4 181/4 Vitation 12 52 26 251/4 26 14
44e 1.7 14 1196 42'4 41% 41% -1%	10 18% Vitinik 77 1 13% 13% 13% 13% 13% 13% 13% 13% 13% 1
- 21 28 75 75 75 二岁	W-X-Y-Z
1.20 3.7 102 7 3046 2015 3046 - 74 0 3008 19 1616 1645 - 16 1.12 5.4 8 120 2116 2044 2016 • 16	50 28-4 WD 40 1800 44 12 7 41 41 411 30 44-4 Worthern AD 1.5 16 90 243-254-254-5-5 31 44-4 Worthern AD 1.5 16 90 243-254-254-5-5 32-4 16-4 Worthern AD 1.5 16 197 12-4 27-2 21-5 32-4 16-4 Worthern AD 1.5 14 17 12-4 27-2 21-5 32-4 16-4 Worthern AD 1.5 14 17 12-4 17-4 27-2 21-5 32-4 16-4 Worthern AD 1.5 14 17 12-4 17-4 27-2 24-5 32-4 11 Worthern AD 1.5 14 17 12-4 17-4 27-4 27-4 27-4 27-4 27-4 27-4 27-4 2
2 2023 15 18 18 15 - W	27 21/3 WFSL 5 84 30 11 129 76 27 26 11 224 16-4 WMSB 5 56 18 11 7) 224 114 314 -4
330 346 31/2 31/2 — 46 16 30 11 11 11 12 84 38 18 183 22 21/46 22 + 66	58 44 Workshot 28 6 17 22 46 45 45 45 50 40 45 45 50 40 45 45 50 40 45 45 45 45 45 45 45 45 45 45 45 45 45
19 23 15h; 16 16h; 17 17 17 17 17 17 17 17 17 17 17 17 17	69-34 Wolfin 74 1316 6846 67 684 17 194 194 194 194 194 184 184 184 184 184 184 184 184 184 18
28 108 314 304 314 - 16 1 3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	50\ta 26 WStOne 1.04 2.1 13 445 US045 49\6 \$0 - \6 22 7\ta WStCot = 41 149 2144 21\6 21\ta
30 3 31 144 14 144 + 6	2234 1234 Witnesdiy .04 3 42 11 184 84 84 84
30 3 31 126 57 5645 563 -44 56 43 20 x195 134 13 13 -44 57 121 27 2014 2016 -	123 67 Whendy M 3 12 25 26 26 26 27 27 27 27 27 27 27 27 27 27 27 27 27
= 2815 0 18% 17% 18 = 1340 0 21% 18% 19 - G	1814 335 WirrSon 52 1244 1212 1734 14 2934 2244 WilmTrs .90 13 13 88 77 7613 27
= 361 854 776 676 - 1/2 - 1/3 4 17 19 19 19 - 1/2 - 1/3 45 104 11 11 11 11 11 11	10% 5' WidAco 81 400 18% 9% 18% 26% 18% Wortho 40 2.2 22 64 27% 22 22% 25% 0% XOMA 1944 5% 9% 9% 9%
17 55 25% 25 25% -W	25:1 03-X CMA 31: 111-1 X Riles .16 4 41 361 281 261 271 -14 31 141-1 Riles 24 2074 22 31 22 -14
843 1814 544 1814 - 14	22 7 7 7 Corn — 25 766 101-7 9-4 101-4 1-3 305-16 Xypiex — 25 320 251-4 741-5 241-4 1-3 324-21 1-3 762 21-4 28 261-5 1-4
	1
.78 32 18 1471 2414 2414 - 14 160 160 161 171 1814 1814 1814 1814 1814	71% 14% Zebro 23 34 51% 51 21 21% 22% 20% 193 20% 193 20%
.05; 3 19 127 19% 18% 19 -5	23 12 24 2005 - 585 3W 3W 3V
16 22 71 7 7 - 49 1 21 2 1 4 1 2 1 1 1 1 1 1 1 1 1 1 1 1	75 381/2 ZignBc 1.44 7.0 12 97 741/2 723/2 73/2 1/2 241/4 181/2 ZignBc 21/4 73/2 1/4 2/4 2/4 2/4 2/4 2/4 2/4 2/4 2/4 2/4 2
14 177 17 1111 12 44	94 24 2 yeard ". 13 437 364 34 31 17 y

Con NI ende gains coun

ing c age i

Declibered 9-to-Stock tive, chan devel 6-4 u for the and try p C gettin Sach weigh said at Ki Th

by st pone rose and

mon did ii Th centr

ing n previ been creas ne. W

exch

the fine was fine was fine was fine was fine was fine we wanted

Approx

A ACR HA AARD HA AARD

ACTION AC

经经济设

100

34 · 公司等级154

Chopard GENEVE

depuis 1860

CHOPARD BOUTIQUES - GENEVE - LONDON - WIEN - KUALA LUMPUR - SINGAPORE -

HONG KONG - TOKYO - DUBAL AND LEADING JEWELLERS WORLDWIDE

一は名がないなくになりない 日田ではなけるはないのである

THE STATE OF THE S

STATE OF THE STATE

.04 .48

갶

4

THE PROPERTY OF THE PROPERTY O

THE REAL PROPERTY AND THE PROPERTY AND T

THE RESIDENCE OF THE RE

THE TARGET BY A THE STATE OF THE PROPERTY OF T

Remarks villere bei Northweit in der State i

I de la companya della companya

INCRESCO PARTY IN THE PARTY IN

The same of the

ASIA / PACIFIC

Nikkei 225

16250 VA

14375 ---

20000 -

181254

Gold Mine Shares Drop in Australia

MELBOURNE — Share prices of companies involved in Papua New Guinea's rich Porgera gold mine fell dramatically Friday after Prime Minister Piais Wingti said Thursday that the government wanted to raise its stake in the mine to 30 percent from 10 percent. "It's very negative," said Ronald Hay, an adviser with the Melbourne-based brokerage EL&C Baillieu Ltd. "If I were going to have dealings with anything in PNG I would be were very cautious.

dealings with anything in PNG I would be very, very cautious.

"Clearly, Wingti must have some sort of a game plan. He can't be that silly. He said be wanted to bring in companies from countries other than Australia, but what must it look like if you are sitting in Germany or Canada?"

The Porgera mine, which last year produced 1.2 million ounces of gold, is owned by Placer Pacific Ltd., Highlands Gold and Renison Goldfields Consolidated Ltd., each with a 30 percent share.

The companies said the government would be breaching a signed

agreement if it sought a larger share. They are expected to insist that there is no justification for the government to seek an increased equity stake of 6.7 percent from each of them.

The companies and the government have been at odds since Mr. Wingti said on Sunday that the government had been misled about the production and profitability of the mine. The companies denied

The gold stocks index plunged 3.65 percent Friday in heavy trading, and the negative sentiment spilled over to other resources

companies with investments in Papua New Guinea.

But Chris Baker, a gold analyst at Barclay de Zoete Wedd Australia, said the sharp price declines in shares of the Porgera mine partners were probably an overreaction. "It is clear that the Porgera joint venturers are not sellers unless

the government is willing to pay a premium to the fair price for the assets," he said. "The market is factoring in a much more punitive

deal with the government."
Highlands Gold shares ended at 75 cents (52 U.S. cents), down 16 cents, or about 18 percent, on volume of 2.52 million shares. Placer Pacific was down 18 cents at 1.27 dollars on volume of 2.33 million shares. Renison Goldfields closed 18 cents lower at 2.75, after

trading as low as 2.60. After the close of the market, Standard & Poor's Australia said it was placing Renison's long- and short-term debt on CreditWatch because the company's high debt and weak outlook on nongold mining operations put it at risk.

The giant Australian mining concern MIM Holdings Ltd., which holds a 65 percent stake in Highlands Gold, slipped 1 cent to 2.47. Standard & Poor's later affirmed its debt ratings on MIM, saying its extensive copper, lead, zinc and other gold operations shield it from the risks attached to the Papua New Guinean government actions.

Arnotts, Malaysian Baker Discussing China Venture

SYDNEY - Arnotts Ltd. said Friday that it was holding discussions with Asia's largest baker, Khong Guan Holdings Bhd. of Malaysia, on a joint venture in China.

Paul Bourke, the managing director of Arnous, Australia's largest cookie and cracker maker, said he recently received a letter from Khong Guan confirming that company's interest in the project. Mr. Bourke said Khong Guan has 16 factories in Asia, including a joint

venture with Arnotts in Singapore.

Negotiations on the China venture began six months ago, before Campbell Soup Co. of the United States launched a hostile takeover bid for the two-thirds of Amotts it does not already own. Campbell insists that its strategy is to catapult Arnotts into the lucrative Asian market: Amotts argues that it is moving in without Campbell's help. Campbell's offer values the whole company at 1.2 billion Austra-

Sells Bank To a Unit Of Lloyds

Fletcher

Compried by Our Staff From Dispatches
WELLINGTON — Fletcher Challenge Ltd. said Friday that it had sold its Rural Bank Ltd. to National Bank of New Zealand, a unit of Lloyds Bank PLC, for 450 million New Zealand dollars (\$233

Rural Bank is New Zealand's largest agricultural banker. Fletcher Challenge, a forestproducts and paper company, said the sale price comprised 100 million dollars in dividends from Ru-

ral Bank and 350 million from the National Bank as purchaser. Hugh Fletcher, the chief execu-tive officer, said the sale was aimed at lowering Fletcher Challenge's ratio of debt to total capitalization to below 50 percent by December 1993. The ratio, which stood at 59.1 percent at June 30, will come down

the sale. The company said it had achieved a "good" price, "higher than the net present value of the Bank under our continued owner-

by 2.4 percentage points as a result

National Bank of New Zealand has a "commitment to the future development of farming in New Zealand." Mr. Fletcher said.

Rural Bank's managing director, David Airey, has resigned from the bank and from Fletcher Challenge. Under the terms of the sale, all

other employees will be retained. About 380 million dollars of the sale proceeds will be received on Dec. 18 and the balance early in (Bloomberg, AFX)

SEOUL — The European Community's envoy to Seoul said Friday that South Ko-

rea's refusal to liberalize its rice market could

pose a major obstacle to settling the Uruguay Round of world trade negotiations.

Agriculture Minister Kang Hyon Wook reit-

erated that Seoul would not bow to efforts to

open the rice market and would rather com-

promise in other areas, South Korean officials

met later in the day to discuss the latest dead-

line on agricultural market openings in talks taking place under the auspices of the General

Gilles Anouil, the head of the EC delega-

Agreement on Tariffs and Trade.

NEC Forecasts a Losing Year

Compiled by Our Staff From Dupatcher
TOKYO — Battered by a slump
in Japan's computer market, NEC
Corp. predicted Friday that it
would post a group net loss of 9
billion yen (\$72.7 million) for the
year ending March 31, its loss
times 1974 when Japan's response

since 1974 when Japan's economy was reeling from the first oil shock. NEC said net profit for the first half, ended Sept. 30, plummeted 77.3 percent to 4.25 billion yen, while pretax profit was down 83.9 percent at 8.26 billion yen.

Although the company forecast a loss for the full year, it said it expected to return to profit in 1993-94. NEC posted a group net profit of 15.28 billion yen last year. The company has been hit badly by the downturn in corporate capital spending in Japan's recession, which has eaten into its computer and telecommunications businesses.

An NEC spokesman said another reason for the loss forecast was heavy depreciation costs. The company has been restructuring its U.S. home-electronics subsidiary. which makes facsimiles, personal

TOKYO - The Japanese earnings reporting season

ended Friday with a 49 percent drop in the profit of what many consider to be Japan's most prestigious

A major shareholder in more than 600 companies

EC Fails to Budge Seoul on Opening of Rice Market

cle in the closing stage of the Uruguay Round

if it continues its negative attitude to the

Arthur Dunkel, the director-general of GATT, is seeking a political agreement by Christmas on the trade accord with details 10

Major sticking points to the agreement have been agricultural subsidies in Europe and East

Asian resistance to liberalizing rice markets.

"There is no change in our position that we will not open our rice market." Mr. Kang said. "We will maintain opposition to even

the minimum market access as far as rice is

opening of its market to foreign rice."

be wrapped up next year.

IBI's profit decline illustrates the economy's hard times.

company: Industrial Bank of Japan Ltd.

computers and video-game ma-chines, he said, and also is spending heavily on new chip facilities, both in Japan and the United States.

But analysts said the real prob-lem was a simple fall in sales, which were off 7.1 percent in the half at 1.69 trillion yen and were expected

The capital spending slump hit NEC's computer business.

to be flat for the full year at 3.78 trillion yen.

"To say depreciation was too high is a backward way of saying sales were too low," said Steven Myers of Jardine Fleming Securities. NEC claimed over 50 percent of Japan's PC market and actually

gained share in the last year, but overall shipments have fallen. It now faces the prospect of heavy competition from U.S. PC last year. makers such as International Busi-

ness Machines Corp. and Compaq Computer Corp., which recently announced a cul-price attack on the Japanese market.

NEC's computer sales, which make up half of group revenue, fell 6 percent in the first half. Most of Japan's electronics in-

dustry has been hammered by the economic downturn. NEC announced a 71 percent slide in firsthalf pretax profit at the parent level last month on the same day that Fujitsu Ltd., Japan's No. 1 computer company and the world's No. 2, recorded its first-ever loss of 19.2 billion ven.

Toshiba Corp. and Hitachi Ltd. on Thursday reported first-balf pretax profit declines of 41 percent and 52 percent, respectively.

Also on Friday, Japan Business Computer Co., a seller of IBM computers and software, reported a pretax loss of 1.81 hillion yen in the first half, worse than its forecast of a loss of 1.6 billion and its loss of 225 million yen in the same period

(Reuters, AFP, Bloomberg)

5000 J J A S O N 1992 1200 J J A S O N 1992 12500 J J A S O N 1992 Exchange Friday Close Prev. Change Close Hong Kong Hang Seng 5.986.67 5,913.18 +1.24 Singapore Straits Times 1,447.96 1,436.99 +0.76 All Ordinaries 1,450.80 1,450.90 -0.01 Sydney Tokyo Nikkei 225 17,470.61 17,479.04 -0.05 Kuala Lumpur Composite 638.79 +0.26 640.48 858.24 +1.31 Bangkok SET Seoul Composile Stock 650.85 660.94 -1.53 Taipei Weighted Price 3,681.94 3,676.56 +0.15 Manila Composite 1,263.58 1,263.69 -0.01 Jakarta Stock Index -0.50 284.66 286.08 New Zealand NZSE-40 1,545,27 1.525.20 +1.32

1,144.10

1,153.50

-0.81

Very briefly:

Investor's Asia

Singapore

1600 -

Straits Times

Hong Kong

Hang Seng

7000 --

5500 ---

Japanese industrial production fell 2.6 percent in October from September and was down 6.0 percent from a year ago, the Ministry of Interna-tional Trade and Industry said; MITI predicted output would "move in a sluggish trend because inventory adjustment is still necessary.

National Index

• Japan's eight major life insurers showed an average 9.3 percent growth in assets in the six months to Sept. 30 after most slasbed stock boldings. both domestic and foreign, company officials said.

 James D.M. Oung, a Taiwan stock trader sentenced to three-and-a-half years in prison for breach of trust in a \$22 million scandal, announced his candidacy in legislative elections set for Dec. 19; Mr. Oung pledged to try to improve government understanding of the stock markets.

 Standard Chartered Bank said it had filed 24 cases against Citibank and four Indian banks to recover 6.5 billion rupees (\$230 million) it claims to have lost in India's financial scandal.

Long-Term Credit Bank of Japan Ltd. and Nippon Credit Bank Ltd., which together with IBJ make up Japan's three banks that specialize in long-term lending, also recorded major declines in pretax profits for the six months that ended Sept. 30.

Fall in Profit Takes Shine Off IBJ

Long-Term Credit's pretax profit declined 58 per-cent year-on-year to 23 billion yen (\$185 million), while Nippon Credit's dropped 48 percent to 22.5 billion yen. IBJ's profit fell to 35.5 billion yen.

Takeo Sekihara, deputy general manager of corporate planning, said IBJ was doing all it could to get rid of high-risk investments. "We've done a great deal of restructuring in the first half and we plan to continue such restructuring in the second half," he said.

Japan's banking industry is suffering from a flood of bad debt as clients stop servicing loans in the wake

of the collapse in stock and property values. But unlike many other Japanese banks, the longterm lenders have only a limited ability to benefit from the five reductions over the past 17 months in Japan's discount rate, which has dropped from a peak of 6 percent in July 1991 to its current level of 3.25 percent.

The long-term lenders raise money by selling unsecured corporate bonds, called bank debentures, which have maturities of one to five years. Thus, their cost of

In South Korea, like Japan, rice is an

In Tokyo, Agriculture Minister Masami

Tanabu said Japan would resist opening its

nice market but that he was ready to discuss

In a meeting, cabinet members reaffirmed

their stance to exclude rice from a proposal

by Mr. Dunkel that GATT members replace

"It is important that we make other coun-

tries understand our demand," said Kozo

Watanabe, the international trade and indus-

(Reuters, AFX)

nontariff trade barriers with tariffs.

the issue with trading partners.

try minister.

emotional issue, although the country pro-duces more of the grain than it can consume.

Japan Investigates Alloy Dumping

Bloomberg Business News

TOKYO - Japan, frequently accused of dumping steel abroad. has turned the tables by launching an investigation of its own of alleged dumping in Japan by foreign companies of a metal alloy used in steel production.

The Finance Ministry and Ministry of International Trade and Industry are looking into allegations that Chinese. Norwegian and South African companies are dumping ferrosilicon manganese, according to a Finance Ministry official, who declined to be named. The study is expected to be released by the end of January, the

official said. This is the first time Japan has launched an investigation into ferroalloy dumping, he said, The dumping allegation was made in October by the Japan

Ferroalloy Association, the official said. An official of the association said companies in the three countries were selling the material at prices 54.8 to 76.1 percent lower in Japan

than in their domestic markets.

lian dollars (\$825 million).

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month 12 in Fig. 12 Month 12 Sts. High LowLotest Change High Low Stock Div Yld PE 100s High Low Latest Change 5% 2% Todds5n _ 5 3 4% 4% 4% _ 10% 50

1.512 NYSE Highs-Lows

- 1992 edition with updates.

Amsterdam, Athens, Barcelona, Belfast, Belgrade, Berlin, Brussels, Budapest, Copenhagen, Dublin, Dusseldorf, Edinburg, Frankfurt. Geneva, Helsinki, Istanbul, Liechtenstein, Lisbon, London, Luxembourg, Madrid, Milan, Moscow, Munich, Oslo, Pans, Pagnic, Rome, Stockholm, Vienna, Warsaw, Zurich.

All of Europe in your briefcase.

The authoritative business traveler's guide to 32 European cities, East and West.

If you're traveling in Europe on business, don't leave without your copy of the IHT's Guide to Business Travel: Europe -- Second Edition.

Written by long-time foreign correspondents Alan Tillier and Roger Beardwood, and published by the International Herald Tribune, this invaluable 640 pages provide current information on understanding local business customs, negotiating with government offices, selecting accommodations, dining, entertaining, tipping and more, in 32 European cities. Plus, city orientation maps.

And since even seasoned business travelers have difficulty obtaining telephone numbers in many foreign cities, this IHT guide uncovers the most sought-after numbers needed for doing business.

This guide is a superfutool for every business traveler in Europe.

(Inder today!

The Best Resource for Business Travel in Europe. CITY CODE COUNTRY Payment is by credit card only Aucess Armex
Eurocard Diners Please charge my credit card SIGNATURE

Herald Eribune. Return your organic international merald Tribune, Book Division, 181 Avenue Chaires delinanie 92521 Neutily Cedex, France Fortasier delinery, Ia+10 (33-1) 46 37 06.51

WITH ABSOLUTE PERSONAL ASSISTANCE. GIVE ME YOUR FULL CONPIDENCE CALL ME EVERT DAY (ALSO SAT/SUN) GERMANY, ELRENGACHSTRATESI.
D-000 FRANKPURTAM MAIN, 17PM.

EDITH BRIGITTA

SAY YES TO A PARTNERSHIP THROUGH THE INTERNATIONAL PARTNERSHIP-AGENCY

FAHRENKROG

EXCLOSIVE INTERNATIONAL OFFICE
CONFIDENTIAL FRANKFURT — IN THE BEART OF EUROPE

ENCHANTING ITALIAN BEAUTY
A YOUNG ELEGANT LADY (IG WITH A WONDERFULLY PENNINE APPEARANCE SHE HAS CHARMING FLAIR AND CHARISMA
SHE IS VIVACIOUS AND VERY WARMHEARTED. A FASCINATING
REFRESHING PERSONALITY, COSMOPOLITAN AND MULTILINGUAL
WITH HA EXCELLENT BACKGROUND SHE ISA SOPHISTICATED LADY
WITH A GOOD SENSE OF HUMOR, SHE LOVES TRAYELING, MEETING
PEOPLE CITIER CULTURES AND IS OPEN FOR EVERYTHING NEW A
LADY WITH CLASS WHO IS LOOKING FOR AN INTERNATIONAL GENLEMAN TO SHARE HELLIFE. PLEASE CALL TO GERMANY (0) 161-263-49 00 OR (0) 69-43 19 79

PLEASE CALL IX OPENDAME (IV) INTO BY AN UNITED STATES OF THE PROPERTY OF THE PROPERTY OF THE WARD OF THE HAS AN ELEGANTANO SPORT! APPEARANCE THIS WARD HUGORUS GENTLEMAN ALSO HAS A VERY COSMOPOLITAN OUTLOOK HE HAS AN EXCELENT BACKGROUND, LIVES IN MONTE CARLO AND NORTHERN EUROPE HE PLAYS GOLF. TENNIS AND LOVES FINE ARTS AND CULTURE HIS PERSONAL PHILOSOPHY IS BASED ON POSITIVITY A GENEROUS GENTLEMAN WHO WANTS TO PLAN HIS LIFE WITH THE PLOTTER WOMAN. PLEASE CALL. C GERMANY (0) 161/263 49 00 OR (0) 69/43 19 79

ASIAN LADIES seek marriage. We will help you with an exclusive introduction. Act for details Oriental Cassacia. 25, \$31003 Aheared, Swedenfax. +45,31-773/043

EXCURSIVE SINGLE CLUB in Geograph for seek from the condition of the

ment with the Hong Kong government that permits the company a maximum 15 percent tricity generation. profit on fixed assets.

Under that agreement, any profit made above that figure now must be transferred to a special development fund that is not part of distributable shareholders' funds. The only major exceptions are for earnings from real estate sales, public lighting and sales of electricity to China.

Analysts said the statement signaled that China Light was taking a more aggressive stance in the Chinese market and was likely

China's economic boom has put an enormous strain on its power supply, and every

Hong Kong Power Firm Targets China

tricity generation.
"China Light is one of the best-placed companies to take advantage of this," said Joseph Jacobelli, analyst at Nomura Research Institute Hong Kong.

The company's major interests in China are mainly related to supplying Hong Kong's electricity needs. It has stakes in a new ouclear power station near Hong Kong and a pumped storage project under construction at Conghua, also in southern China.

Already the company's sales of electricity to China through transmission lines from Hong Kong are rocketing China Light's sales to China rose 73 percent in the year ended Sept. 30 and it earned 122 million Hong Kong dollars (\$15.6 million) from them.

> **EXHBITIONS AUCTION SALES**

COLLECTOR'S

GUIDES

IN SATURDAY'S INTERNATIONAL

HERALD TRIBUNE

TODAY

PAGE 8

LEGAL SERVICES CRESGN DIVORCE in just 1 day Box 357 Sudbury, MA 01776 USA Tel: 508-443-8387 Fax: 508-443-0183.

LOW COST FLIGHTS

PLY PREE even if you fly infraquently. With enrollment bonuses 8 just 1 or 2 flights, you are eligible for rine flights. 8 bates. For a registration packet in most Frequent Plyer programs sent USS-25. A NTC, Box 296-22, Atlanta, Go. 30358-0632 or for USS-56, we will recision you in most joins. Frequent

register you in most plans. Frequent Flyer Registry Fax: 404-250-1440 U.S.A.

ony major North American int'i cir. Tel: Paris (33-1) 47 04 67 51.

CHRISTMAS GIFTS

A YEAR-ROUND CHRISTMAS GIFF Order a subscription to his/her towarde American magazine CB - AMERICAN MAGS handles all the hassle.

Tel (35) 5040 8080 Fee, 5040 7222

ARTS

For departure reasons, OWNER SELIS Exceptioned Collection of ANTICUE ART ITEMS, CHINESE & DEDIANS, Budding, scripping, Chinese furnisms, June & Maria Maria

COLLECTIBLES

WATCH SCUBA 200, blie, Coptoir

Nemo unique rieru, os new condition, box. Offers: J. Arlow, 3 rue des Fontuines de Temple F-75003 Poris

BOOKS

BRITISH BOCKSHOP, FIRANKRURT offers a wide selection of British/American bools (also childrens), British lowest publications, Moal order service. Generally ordy, Tel. 069-280492, Face 069-287/01, Bocsensty, 17, D-6000, Fronifetal I and 6-1060 Berlin, Mauserstr. 83-84, Tel: [+49] 030238480, Far [+49] 030238480.

WINES & SPIRITS

BORDEALOX WINE DRY WHITE ACC direct from the grower, Fox Cholecu Le Pest Desen (33) 55 33 64 88.

COLLEGES &

TRADE: The New Activists Say High Technology Isn't a Free Exchange

it comes to selling high-technology products in world markets.

as if they agree, subsidizing high-technology research, organizing joint corporate product development and fencing out foreign com-petition. Where foreigners will not Gary Saxon ists say, the proper response is titfor-tat. And that means micromanaging trade — everything from imposing countervailing duties to

negotiating "voluntary import ex-pansion" agreements. Paul Krugman, an economist at

vance. "I can always get one of my graduate students to build a mod-Japan and Europe often behave el" showing how intervention

might improve Americans' welfare, he said; the tricky part is preventing it from becoming a tool of spetite highly skilled. And, ironically,

Gary Saxonhouse, a University play by free-trade rules, the activ- of Michigan specialist on the Japanese economy, is less judicious in his critique of the activists. If the idea is to promote wealth-producing export industries, he says, high technology is an odd place to begin. Investments in high tech have not, from the activists. The one area on average, been particularly lucra- where the activist trade argument

12 Marth High Low Sto<u>ck</u>

10% 2% Essoft 9% 8% ENLL VA 11% 8% ENLL VA 11% 8% ENLL VA 11% 8% ENLL VA 16% 5 Excel 16% 5

employ engineers and managers. But Mr. Saxonhouse says there is by intervening to increase the demand for these skills without increasing the supply, Washington would only widen the wage divide between the skilled and the un-

skilled. Mr. Krugman offers a bridge for the gap that divides the free traders

12 Manth High Low Stock

Div Yid PE 100s High LowLotes Char

2746 Fruiti.

2746 Fruiti.

2746 Garacto 5

1746 Galanco 6

1746 Galanco 6

1746 Galanco 7

1746 G

(Continued from first finance page) the Massachusetts Institute of tive And most of the jobs created holds most intuitively, he suggests. up a winner is to use the trade laws to assure that American companies get an even break (or better) when the second of the property of the property of the second But one could promote such industries with subsidies that, unlike tas to incite foreign retaliation.

overt protection, would be under the eye of the taxpayers and per-haps less likely than tariffs or quo-This is hardly a panacea, warns Richard Cooper, a Harvard economist. Selective subsidies, he said,

require picking winners, "the classic problem of industrial policy." Problem or not, it seems the path of least resistance for a president who seems eager — but not too eager — to break with past trade orthodoxies.

DIV YIS PE 180s High LowLated Orga

| 12 Manth | 12 Manth

36% 1536 SPLPh. 1,06.
16 74 Solem 730g
31 174 SNR(1930m)
21 16 16 SNR(1930m)

181/2 SNRC293PMT
- 6/46 SFT 373PMT
- 1/12 SNRC493MT
- 1/4 SFT 373PMT
- 374 SPT 373PMT

27% Los Selectores | 20 | 162 | 162 | 162 | 162 | 162 | 162 | 162 | 162 | 162 | 163 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164 | 164

INTERNATIONAL CLASSIFIED

BUSINESS

OPPORTUNITIES

ACHIEVERS ONLY

Mexin, GERMANY.
2ND TRAVEL DOCUMENTS. B-drive incorporary country. GM. 26 (Remanu Athers 185-75 Green. Fox 721936)
TITLES OF NOBILITY Are you interested in a Noble title if Reply Fox +45 31 16 69 83

BUSINESS SERVICES

MY AMERICAN CONNECTION will

LONDON ADDRESS BOND STREET, Moil, Phone, Fox, Teles, Conference room, Tel: U71 499 9192 Fiz: 499 7517

BUSINESS TRAVEL

RIVERS & LIMOUSINES will take yo cround Paris. Business or pleasure, or port horister, our or your disposal, exclusive service & comparate roles. Contact Paris. Tel. (33-1) 48 51 63 63 Fax (33-1) 48 51 91 79

Tax (33-1) 48 31 VI /V
Int Mexicos Class Frequent Travellers
to Onent/Australia/Airca/No. 8 So.
Amenica. Sove up to 507s. No coupors, no restrictions, impedial Canada
Tel. 514-341-7227 Fax 514-341-7998.

SERVICED OFFICES

Your Office in Germany

We are "at your service"

Complete office services at two prestige addresses.
 Fully equipped offices for short

I hay equipped ornicis for a son i learn or long term,
I internationally trained office and professional staff at your disposal.
Can be legally used as your corporate demicile for Germany/

klert om Mont 1.

Germany. Tel: (69) 245530 Fax: (69) 595770

REAL ESTATE

FOR SALE

FRENCH PROVINCES

5 MMN, MEGEVE / SUPERB SKI AREA - Efficiency flat, fully furnished, bol-cory, san off day, cellor / grange. FF 680,000. Coll: 41 + 22 / 7843100.

MONACO

PRINCIPALITY OF MONACO BEAUTIFUL SEAFRONT APARTMENT

283 sq.m., for sole in new residented building with pool, composed of large living room with loggia, I beforems, 2 bothrooms, shower room, listhee with access to loggia, caller, parting see to, loggia, caller, parting see to, wonderful view of Mediterranean and garders.

For further details, please contact:

AGEDI
7 and 9, 8d des Monhes
MC 98000 MCNAZO
Tel: (33) 92.065/0, Teles: 479-417 MC
Fore (S3) 93.50, 19.42

SWITZERLAND

PERSONALS	MOVING
AY THE SACRED HEART OF JESUS be cadored, glorified, toved and presented throughout the world, now and forever. Socred Heart of Jesus, proy for us. Soam Jude, worker of merades, proy for us. Soam Jude, worker of merades, proy for us. Soam Jude, help of the populess, proy for us. Amen. Soy the protest proyer mer us a Joy, by the method y your proyer will be conswered. It nos never been tanown to fail. Publication must be promesed. MG/TT, IAY THE SACRED HEART OF JESUS be address, glorified, loved and preserved throughout the world, now and forever. Soard Heart of Jesus proy for us. Soint Jude, worker of merades, proy for us. Soint Jude, help of the hopeless, proy for us. Amen. Soy this proyer non more a doy, by the method your proyer will be conswered. It has never been known to fail, Publication met be promesed. Call	INTERCEAN ANSTERDAM 31 (71) 89 92 24 ATHENS 30 (11) 940 11 21 12 BARCELONA 34 (21 652 21 11 SERIN 49 (20) 128 54 00 BONN 49 (20) 138 54 00 BORNA 41 (20) 343 85 30 LORDON 44 (51) 671 24 50 MANACHESTER 46 (51) 677 51 00 MINGOH 49 (57) 141 50 236 MANACHESTER 46 (51) 677 51 00 MINGOH 49 (57) 141 50 236 MINGOH 49 (57) 141 50 236 MINGOH 49 (57) 141 50 236 MINGOH 40 (11) 945 04 00 WASHINGTON 1 (70) 620 48 19
WINDOWCEMENTS	EASTERN FURCEE
	EMBICION ELANCET

HONG KONG - China Light & Power

Co., Hong Kong's largest electricity supplier.

has formed a company to make investments

in power projects in China, its chairman,

In his statement in the company's annual

report, Lord Kadoorie said the relationship

with China would offer China Light its most

important opportunities for growth in the

oext century.

The chairman, who is retiring at year-end

said a wholly owned subsidiary called South

China Power Investment Co. had been formed

to assist China's development, particularly in

He said the subsidiary would operate out-

side the scheme of control, which is an agree-

the Pearl River Delta area in the south.

Lord Kadoorie, said Friday.

THE IHT IS NOW **AVAILABLE IN MANY** U.S. CITIES ON DATE

OF ISSUE

For speedy mail delivery, subscriptio agrees also are flown directly to ladsonwille, Phoenix and Seattle.

in the U.S.A., coll TOLL FREE 1-800-882-2884 In New York , call (212) 752-3890

Herald Eribune. 850 Third Avenue New York, N.Y. 10022 Telex: 427 175 Fax: (212) 755-8785

Herald Eribune. -: SEASONS GREETINGS

CONTEST Place your message in the international Herald Trabure on Dec 24 or Dec 31 and the 3 best messages will win a Special IHT git.

Tel-Ports 33-1-46-37-93.85 Fox 33-1-46-37-93.70 or your local representative (in the US Fax: 212-755-8785)

. (Häagen-Dazs)

Hoogen-Doss, n° ! American koory a

rough-hous, in 'American leavy loc rotain, a pleased to ancounce that your favority ice creams, yogur! & stack bars ARE NOW AVAILABLE FOR YOUR PLASTIES AT ALL VIP'S & BOB'S OUTLETS

IN MADRID & BARCELONA

Haugen-Dezs * 55 Kambia de Catalunya, Barcelona *Tel 93 4877015 Fax 93 2160910

AGS MOVING A.G.S. LONDON [4481] 961 7975 A.G.S. PARIS [33-1] 40 80 28 40 A.G.S. BERLIN [49-50] 429 28 65 A.G.S. NICE [33] 93 64 59 40



ONE NAME, ONE COMPANY

Move Plus

THE INTERNATIONAL MOVERS

Head Office: World Trade Center Rotterdam, Tel- 31 (10) 405 2090

Roherdum, Tel- 31 (10) 405 2090

MOVE Plass - FRANCE
Desbordes - NASS [32] 1-43-43.23.64
- Demesport - NICE 6274 IRE2 holf fine)
MOVE Plass - STATICE STATICE AND ACCEPTANCE OF A STATICE AND ACCEPTANCE AND ACCEPTANCE

THE ADDED VALUE IN MOVING

PARIS Tel: 1.34.48.97.97

Top OMNI member in Europe

trans euro

NITL

GROSPIRON INTERNATIONAL Tel: Puris 1-47340266 HOMESHIP. Saudi & medium moves, baggage, cors worldwide. Coli Charlie Paris (1) 42 81 18 81 (neor Opera).

BUSINESS **OPPORTUNITIES**

BANK & TRUST CO.

Tal 93 4877015 Fax 93 2140910

AAWE CHRISTMAS BAZAAR, on "American far benefiting chorties." Nov. 28, 10-7, Nov. 29, 10-5, Enrichage Fili and free for bots under 12. Academe Deploratique Internationale, after Av Hodie. Pern 8, M° Courselles BRONI. The finest hand-made sust, Largest selection in Switzerland or WEINGERG the leading men's store. Behaviors. 13, Zunch 01 211 29 50.

RELENTS fow? — having problems? SOS HELP cross-line in firstsh. 2 p.m.—"11 pm. 19-Pm. 8(1) 47 28 90 80.

ALCOHOLICS ANONYMOUS English specting meetings doily. Tel. PARS 48 34 59 65 or ROME 678 0320.

FRIENDSHIPS

BUY NOW
You can own a lovely apprintent on late Geneva or in a popular mountain resort. Attractive villas near Geneva. Martgages available. Globe Plan SA, rue Eraz 10, 1003 Leasanne, Switzerfand. Tal 41-21-312 35 12 Fax 20 23 70

GSTAAD

Various high standard opertments now evolution for side to foreigners to the to change in low.

Contact: Weenen & Back hemoobilism CH-3780 Getaad, Tel + 41/30 44 222

Fax + 41/30 46 066

POR SALE IN GSTAAD (CH), lorge chalet fligh standard, Unique stac-ion. Peans write to cyphor az. 410-43971 Assa Amonos Sazzes SA, PO Box, 8024 Zurich, Switzerland USA RESIDENTIAL

SOUTHERN CALFORNIA (Cartsbod) bactrifront home. Upstars - 2 bed 2 boths, litchen, sing roam boths. Downstars longs studio with latchen and both, saaly converted to single fasely use 2 or garge. Old California charm. Tek 619-729-2052 USA.

REAL ESTATE TO RENT/SHARE

GREAT BRITAIN AN ELEGANTLY RUBERSHED RAT NEAR HARRODS: 4 bedrooms. 3 bofts 2 sceptions + gorden/tensis. Weekly decemer. Short or long let. £530 per week. Tek London 71 - 823 4004

KNIGHTSBRIDGE ES9/right serviced burnery Ross basede Hormods, From C79 as Kensington, Ordendge Aportalents Tel. (71) 835-1611 Fas. (71) 273-0036. ST. JOHN'S WOOD-LONDON, Fully formshed 2 bedroom flor, £1200 per recents. Available mmedically. Tel: [44 71] 586-7635 or 839-2722 England. PARIS AREA FURNISHED

74 CHAMPS ELYSES THE CLARIDGE
FOR 1 WEEK OR MORE high class should 2 or 3-room apartments RULY ECUPPED. MANERIANT ENSEMATIONS Tale (1) 44 TS 32 33 LET BANK APARTMENTS, monthly totes. No ozenky fee. Jean-Machet Tel. 1-43,24,08,91, Fox 1-43,54,57,98

REAL ESTATE TO RENT/SHARE GOING ONCE, TWICE, SOLD!!! LET BANK, studies, 1 & 2-bedroom flots. Week or month. Best locations of rates. No fees. Tel: (1) 43 54 64 66. INTERNATIONAL ART

MARAIS. Short less during December, 70 som. off conforts, F3,500 per week. (et [1] 40 27 06 68 REAL ESTATE WANTED/EXCHANGE BETRIED AMERICAN Executive desires 1 month furnished 2 bedroom quality operativent resides in Disselbort, Munich, London, Awaterdom, Rose, Visona, Budapes, Progue & Madrid Send information for H. Colemon Norris, 9 Seach Pork, Persuakse, WI 33072-5130 USA.

COTE D'AZUR, Britan outfloor seela goet, roomy rental flot or hilltop villo. Tel. + 39-185-669307.

EMPLOYMENT

GOURNAET Live-is Cook for 4 people of mojor retirement certer, \$750/mo + room-board. Air fave reimbarned ofter 6 mo. Must read/speck England Call or fax resume to Gene or Von 501/664-4048 fax 501/664-4156 USA GENERAL POSITIONS WANTED

EXECUTIVE HOUSENGEPER teels position in PRIVATE HOUSENGLE Experience in general mesogenent & houselegang for Royal Readance, Accomplained cook, English/Ferch species, First closs references. Box 2755, \$17 F-92521 Neally Cdx

PARIS BASED MEDICAL TRANSLATOR seeks notive English specker with good biomed degree and wordprocessing slelk. Tel [1] 40 51 06 56 **AUTOMOBILES** EXECUTIVE CAR BAW 5351 NEW Colymo-tody gray internot. With ex-cellent fittings four conditioning, lefe-phone, ASC, BMW aports/pock pin-mony others), A weeks old, List-price (scioding VAT) DM 87:003. Selling for DM 67:100, Colt. [+ 49] 69 74:3021 [office] & [+ 49] 6172 72106 (home).

AUTO SHIPPING AVE.ON CAR SHIPPING, AMESOO Kribbest 2, Aniverp Belgism, To/from US, Africa, Regulor Ro-Ro soling, Free hotel, TI 32/3/231-4239 Fx 232-6363

AUTOS TAX FREE

pow TAX-PREE used Range Rover + Chevrolet + etc. Mercetes + BMW + Audi + etc. Codiliot + Jeep + Jogsor + etc. Some day registration possible renewable up to 5 years

Alfred Excher-9r 10, CH-8027 Zunch Tel: 01/202 76 10, Teles: 819915, Face 01/202 76 30

ATK WORLDWIDE TAX HITE CARS. Suport + Shipping + registration of new 8 used cars. ATK NV, Tensacklet 40, 2730 Brousthaut, Belgrom, Phone (3) 6455002, Teles 31515; Fue (3) 6457109, ATK, since 1959. EUROPE ALITO BROKERS, Inc. Tel: Holland (31) 3402-64494 Fax 60994

500 SEC, MODEL "93, for immediate delivery, tax free. GERMANY Tel. (+47) 7034 5387, Face 61502. LEGAL SERVICES

US UMMIGRATION-Through Lover-meds, American branch compones or professional employment. Correct-Attorney Edward P. Gellagher 3 Befreede Metro Cr. (#756), Berlesdo, Md. 28814 (USA) FAX. 2011/8833429 MO. 20014 (LSQ) FINE JUPONSMS

DOMINECAN ATTORNEY divorces
ance 1972 - Box 66423, Westington
DC 20035 USA fox: 202-785-3607-276

FOR LEGAL TITLE OF NOBILITY.

Eurela, Va Verglio ZZ 20053 C/Mere
Skobia, Moly. Fax (35) 81 8701774

EARN UNIVERSITY dogres utilizing work, life & accidence experience. For evaluation & information forward resume to. Pacific Southern University, 5281 W. Pico Blvd. Dept. 127, Los Angeles, CA 90005 USA PEN PALS PENPALS, MANY COUNTRES, cd. ages. Top International Making Connections, PO Box 570, School 3075 Australia. Fax: +61-3-431-2983. HOLIDAY RENTALS

FRENCH PROVINCES

CHRISTMAS HOUDAYS in Provence, in a beautiful restored house. Tel: (33) 90 04 78 79. Fax: (33) 90 04 84 80 CHECK THE IHT WEEKLY CLASSIFIED SECTIONS FOR ALL YOUR SERVICE NEEDS Inside Pages

Inside Pages

Education Directory, Tuesdays;

Business Message Center, Commercial Real Estate, Dining Out, Wednesdays;

International Rearuitment, Thursdays;

Real Estate Marketplace, Fridays;

Arts & Antiques, Auction Sales, Saturdays. Back Page Secretarial Positions, Tuesdays;
Automobile Market, Wednesdays;
Holidays and Travel, Fridays;
friendships, Saturdays.

NANNIES & DOMESTICS

MONROE INTERNATIONAL

Market Agency for Bullet staff
MURRENY MURRES
GOVERNESSES GOVERNESSES
SHATO TO USE DECEMBRISHED FOR MET CONTROL OF MET CONTROL OF MET PRIME CALL MET CONTROL OF MET CONTR

POSITIONS AVAILABLE YOUNG FAMILY based in New York area, reveiling irrequently, requires land, hard-working as pair, 22 4, who is entitled to reside and work in U.S., to look other 2 years and daughter. Cell 310, 247-9529 and leave details or first resume to 310/247-1850 USA. POSITIONS WANTED

NANNES INCORPORATED LONDON The specific agency for expensional British 8 French names, body name 5 notices indice. Worshood pocarriers SL Names SE 16679, Tel. 71 229 1214. Feb. 71 229 658. Tel. 71 229 1214. Feb. 71 229 658. Tel. 71 229 1214. NANNES INCORPORATED PAIRS Tel. 1.45.74.5274. NANNES INCORPORATED MUSSELS Tel. 2.735.84.62

DOMESTIC STAFF AVAILABLE -Buffurr, Number, Cooples, Chefs etc. A5 highly trained & experienced. Previous referred control of enched. Hardenson's Employment Agency. Located UK SE 22700 Lordon 071 225 5001.

POSITIONS WANTED

FURE BRIT 1 Young coople, wife top militie cook & househeeper, husband chariters wide househeeper, husband chariters wide househeeper, husband chariters wide househouse in 19 years reference in less part on Sconsish hustoning estate, Seek relacation anywhere UK or oversens. Tel: 44 81 871 3662 [24 Hours] (UK Le Apy)

BIGLISH NAMBRES & MCTHEIS HEP'S All stell theroughly interversed. Fel classers supplied. English tense of bosness. UK feersed. 24 yrs, NASH ACBEVT, SS Grant Rd. Howe, Sursen. UK Fel: 44 403 711436 Fee. 44 403 71145 [24 hr servor).

CCCASIONAL AND PRIMAMENT NANDY AGENCY has experimented in terminal conditions of the Common Feers, London, SW7 215. Tel: UT 122-1555, Frz. UT-1299-4966. Let UK SSBBID.

DENSE British Au part - Music help, cor driver, referentias, very worm, willing, sporty and presentable, nearly sports, and presentable, nearly sports on greentable, nearly sports on greentable, nearly sports on greentable. Nearly for conness, soothers helps, our part. Cell 44 81 322 1299 fraz. Phone caysens. [UK Lie Agenty]

AU PAIR SHIERBATIONAL. The Top Part Agency for conness, soothers helps, our part. Cell fram 1-4490-698

BEINGUAL ASIAN with handyman & cooking decisions wells cay to b. Driver. caretalier. Tel Parts or en 1-6905 1643.

| 1874 | 376 | 1904 | 104 | 105 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 106 | 10 11% 7 Bush

12% 24% CII Fin

13% 24% CII Fin

10% 65% CIM

14% 11% CMI CO

12% 24% CNL Rry

1.08 9.5 13 12% 12 12

13% 23% CSS

18 1 21% 23% 23% 24% 14

14% 17% CSTEINT

15% 57% CooleA

16% 15% 16% 16% 17%

16% 15% 16% 16% 16%

16% 11% Colleng

12% 9% Carringin

22% 14% 24% 22% 22% 22% 16

14% 13% Carringin

23% 12% CooleA

16% 15% 16% 16% 16%

16% 16% 16% 16%

17% 57% Corringin

23% 12% 22% 16

16% 25% 25% 25% 25%

16% 25% 22% 22% 16

16% 25% 26% 25%

16% 25% 26% 25%

16% 25% 26% 25%

16% 25% 26% 25%

16% 25% 26% 25%

16% 25% 26% 25%

16% 25% 26% 25%

16% 25% 26% 25%

16% 25% 26% 25%

16% 25% 26% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25%

16% 25% 25

The state of the s

• **•** • ₽

100 mg 1.0 - 6.3 -40 . . . ---

20

Ç-

KASE = wi Group Li afos of In

20 1 AC 20 And industrial

- 12301 - 12301 100 100 10 100 100 100 100 100 100 The second 2 Mg - 2 3 2 STATE OF STATE OF ೀರ್ವಾಗ್ಯ ಕ್ಷಾ**ಪತ** long to the s

Sec. 12. 254 A CA The second Book An Unde

1978 Agains Part of the state

200 Server Server de 1365 295 - 1 - 1 - 2 - 25 longer B

Reading per

TUESD EDUG WED BU TH

FIRST COLUMN

Bitter Logic Of Multiple **Devaluations**

HE hunting season on European currencies threatens to get bloodier still if speculators, not content with having blasted away the pound and the lira and winged the peseta and escudo, try to take another shot at the biggest game,

Pity the French. They point out, not without reason, that their performance on such economic benchmarks as inflation, foreign trade and the government deficit is better than Germany's and justify holding the franc's current level against the mark.

Unfortunately, exchange rates are never determined mechanically on economic grounds. They also carry the weight of political uncertainties like France's reckless threatening of a global trade pact, German disregard of the cost its high interest rates impose on its neighbors, and the lack of

ensus on the future of Europe. Markets had no trouble recognizing that Europe's fixed exchange-rate aims were inconsistent with its increasingly uneven eco-nomic performance and political objectives. But spotting a problem is far from finding a solution. To the extent that currencies can be said to have appropriate trading levels, mar-kets have shown little aptitude for finding

Today's market logic wants to see the franc devalued to allow France to recoup its competitive disadvantage against yester-day's devaluers, Britain and Italy. If the frane goes, will Germany question whether it can afford a strong Dentsche mark as its recession deepens? The logic of competitive devaluations is compelling once it starts, but just as the experience of the 1930s showed, it only makes everybody poorer,

With Eurocrats now considering an infrastructure program to give their economies a jolt, it's a good time to remember that currencies are the basic financial infrastructure that holds economies together, Getting policies back on a track that will reduce currency volatility will be a vital element of Europe's

Maxwell Case Scares Pension Reformers

By Aline Sullivan

ORE THAN a year after Robert Maxwell's death, the publishing tycoon's most notorious crime, pillaging his companies' legislators as they confront the financial problems posed by an aging population.

Actuaries differ over whether the repercussions of the Maxwell debacle were harm-

ful or beneficial. In Britain, it sparked a flurry of political activity in an attempt to prevent pension fund trustees from abusing their positions in the future. That, it is gener-

ally agreed, was a good thing.

But elsewhere in Europe, where funded company pensions are far rarer than in Britain, actuaries fear that Maxwell may have put back the cause of pension reform by years. Guy Whitehead at consulting actu-aries Bacon & Woodrow France in Paris argues that the scandal did serious damage to the image of funded pensions, common in Britain and other English-speaking countries and hitherto much admired by many French

France's government runs a pay-as-you-go state pension program, which pays cur-rent pension liabilities out of current revemies raised from the working population. There is widespread agreement that this system is in need of reform. Demographic protem is in need of reform. Demographic pro-jections show the average age of the French population rising sharply. The tax burden on the working population to pay the pension of the retired will rise proportionally. "Employees in France now pay about 15 percent of their annual salaries in social security contributions," said Mr. Whitehead.

"Under the present system, this will need to double over the next 30 years to maintain benefit levels."

Italy faces an even greater problem. Un-der the current system, which also works on a pay-as-you-go basis, the government pays an annual pension equivalent to about 80 percent of average earnings. That compares with about 20 percent in Britain, Economic recession and a rapidly aging population mean that this system may be unworkable before the end of this decade, actuaries said. Until last year the alternative was widely

thought to be a system of funded company pensions. These have existed in Britain for decades, but they received a huge boost in the late 1980s when Prime Minister Margaret Thatcher's government started offering tax incentives to employees to opt out of SERPS, the state pension program, and into private-sector-funded plans.

under someone else's control.

One of the questions now being asked in France is whether there should be a statebacked insurance facility to back up private ensions of the kind that exists in Germany. In Britain, there is no insurance available, bence the fury of the Maxwell pensioners, who have no recourse for the losses they have

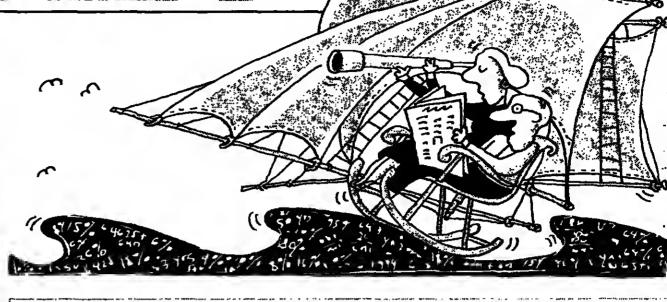
Jean Peyrelevade, chairman of the biggest French insurer, Union des Assurances de Paris (UAP), and an influential figure in

Certainly, this has been the case in Gerany, where most pensioners are creditors of the companies they work for. Germany's largest companies manage funded pensions for their employees that are heavily invested in the company's own stock as well as in fixed-income securities and property. The majority of German pensions, however, are paid by companies through "book reserve" systems. Under this arrangement, companies make halance sheet provisions against future pension liabilities for all employees aged 30

Mr. Whitehead said Continental European governments are now unlikely to follow the same route, "The Maxwell scandal will make it more difficult to implement an English private pension fund system where individual companies can run their own funds. The pension funds are going to have to be

France's ruling Socialist Party, has put forward another argument in favor of company pension funds. They will provide new, domestic investors in French industry, he suggests, diminishing the need for such wide-spread state control to fend off foreign predators.

A state-run mutual insurance fund, Pensions Sicherungs Verein, covers employees in



Pension fund investment distribution

Domestic fixed interest Domestic equities/property Overseas investments

low rate of company failures in Germany.

"The whole basis for the German system is confidence in the health of the companies," said Paul Morris, an actuary with Wyatt & Co. in London. "Up to now, the system has been successful, but there could be big problems if there are company clo-

German confidence in funded pensions was shaken three years before the Maxwell debacie when Co-op AG, a Frankfurt-based food store chain, sold shares in its subsidiaries to its independent pension fund shortly before the shares plummeted in value. The sale was widely perceived as an attempt by Co-op management to maintain the compamy's share price after a share issue whose success had been based on falsified accounts

and exaggerated earnings projections.

The resulting scandal and fraud investigations involved the management of Co-op the event of a company collapse. Fremiums, and the pension fund, and the BGAG trade which are paid by the company, are only 0.3 union, which had a stake in Co-op. Some of the company's management were jailed while others disappeared. In 1990, Co-op's stores were sold by the company's shareholders to German retailer Asko and French retailer Promodès.

In any case, it seems unlikely that the Germans will adopt the British model of funded pensions any more readily than the French, It is not only the security of British pension funds from fraud that is being questioned in Continental Europe. The spread of their assets is looking increasingly risky, said some observers.

British pension fund trustees invest in equities with more enthusiasm than their counterparts anywhere else in the world. Bacon & Woodrow estimates that up to 80 percent of pension fund assets in Britain are in domestic or foreign equities, as opposed to 40 percent in the Netherlands and 15 percent in Germany.

This strategy served companies well through the 1980s, when dividend values were rising rapidly and British inflation was high. But these funds are less likely to perform well this year, when dividend growth is expected to be stagnant or even negative.

Some pension funds are not invested in the right distribution of assets," said Stephen Gooch, an actuary at Clay & Partners in London. "The British system has been highly successful for the past 30 years. But a lot of pension funds are coming to fruition now and some may face problems, particularly if the recession continues.

According to Mr. Gooch, mature funds with known liabilities should have a higher proportion of fixed-income securities.

The EC Commission has been developing rules to harmonize pension legislation around the European Community, but the wide variety of tax regimes had made progress slow. Peter Morgan, an actuary at Bacon & Woodrow in London, said that EC member states tend to enthuse about employer-sponsored pensions but then deny employers the tax reliefs that would make such arrangements attractive.

BRIEFCASE

Vanguard Group Launches 2 Portfolios of Index Funds

One figure that never seems to go down in the investment world is the number of index funds. Vanguard Group has launched two new ones, the Value Portfolio and Growth

The funds buy subsets of the stocks making up the Standard & Poor's 500 index. The Growth fund invests in shares in companies with the highest ratios of price-to-book value. The Value fund does the opposite, choosing issues with the lowest price-to-book ratios. A company's book value is the worth of its assets, or what shareholders would get if the business were dismantled and its parts sold.

The Growth Portfolio comprises 174 stocks that have an average price-to-book ratio of 4.14, a yield of 2.3 percent, a priceto-earnings ratio of 20.3 and a total return of 17.9 percent annually over the last 10 years. The other 326 stocks are in the Value Portfolio. Their price-to-book ratio is 1.52 and

their P/E is 15.4. They yield 3.7 percent and their 10-year annual return is 18.7 percent. GM Stock: An Underachiever

Since 1978 Against S&P 500 "What's good for General Motors is good for the country," went a thunderous declara-

tion of a generation ago.

Some analysts who remember those days, when General Motors was a beliwether for the rest of the American stock market, have made much of the fact that the industrial giant has fallen on hard times, along with its share price. After trading at \$44 in early July, it has since dropped back to just above \$30.

GM's sagging fortunes are certainly not good for the country, these analysts say, and it's only a matter of time before the market comes back down to join it. The truth, though, is that the automaker has been underperforming the broad S&P 500 since 1978. Its stock is

selling more or less for what it did back then, while the S&P has risen more than fourfold. During the previous four years, when the stock and the index traveled in tandem, both

The other supposed market beliwether is International Business Machines. It, too, has been in the dumps, falling to around \$64 from near \$90 in early September. But just as GM has lost touch with the market, and not the other way around, IBM has underper-formed the S&P during the last six years. Its price has halved while that of the S&P has just about doubled. Big Blue is really Same-Sized Blue, selling for about the price it carried in 1972.

Chicago Options Exchange To List More Foreign ADRs

The Chicago Board Options Exchange said it planned to list options on the American depositary receipts of 20 foreign companies, with 15 of them due to begin trading in the coming week. The additions would nearly quadruple the CBOE's listings of options on ADRs.

The 20 companies include seven in Britain, three each in France and Mexico, two Spanish ones and one apiece in Brazil, Chile, Hong Kong, Japan and Sweden.

The new listings reflect the growth in interest among Americans for international investing. That interest has sparked an explosion in the listings on American equity markets of ADRs, which are essentially bundles of foreign shares held in safekeeping by a bank and denominated in dollars.

Of the seven ADR issues on which the Chicago exchange already trades options, the most conspicuous is that of Teléfonos de México, the Mexican phone company, whose shares trade on the New York Stock Exchange. After having been listed a little more than a year ago, volume in 1992 is averaging 10,000 contracts a day.

should they use the every-doghas-its-day theory of investing and buy a weak performer in the hope that it's "due"? Or should they buy one of the standouts,

no shortage, are basically worthless to inves-

sistently long-term winners do well in the

As for a particular year's hot funds, he said, "usually they're star bright, then they

shoot off the next year."

The newsletter No-Load Fund X, in a 1990 was 1,134th.

The problem with those studies is they're arbitrary," contends the fund analyst Ken-Weber. "They pick a date, usually the end of the year, and they show the best funds did badly the next year. They make a case for not buying the top funds. I agree with that, but you need a flexible system.

Fund Rankings: Do They Help Pick Winners?

.. By Conrad de Aenile

THEN fund buyers pore over yesterday's rankings in their for funds that are accelerating in the current quest for tomorrow's winners, letting their guiding principle be "Strike while the iron is hot"?

Studies have been done, some leaning one way, others the opposite. The more provocative ones show that good performers in one period are mediocre or worse later on. It suggests that fund ratings, of which there is tors trying to make the right decisions about

One study, for instance, found that the too four American funds of 1989 ranked between 389th and 1,707th the following year. But analysts say one year is not a long enough period to follow a fund. Predicting results after such a short time is a risky

proposition, they say. We try to look at a longer-term history, that's how we do our ratings," said Roger Albrecht, a research analyst at Morningstar Inc. "Studies have been done showing con-

recent edition, tried to find out just how good some of those long-term winners are. The newsletter examined the four best performers for the period from 1984 through 1989. The best any of the four could do in

A study of money managers by Frank Russell Co. was not much more encouraging. It looked at "real good" and "real bad" managers, defined as the top 34 and bottom 34 out of 112 managers of equity portfolios during the four years through January 1986. The best gained about 26.25 percent a year, the worst 16.11 percent. Over the next four years, those that had been best actually did a little worse than the ones who had been worst the previous four years, 8.27 percent versus 8.90 percent.

Rather than looking out over a longer period, Mr. Weber shortens the time horizon considerably. Trying to find the funds with the strongest momentum, he chooses those that have moved the highest above their 30-day moving average, that is, the average price over the last 30 days, adjusted to take that day's price into account. "I'm looking the performance of diversified funds

Maybe time has nothing to do with it at all; maybe it's the times, instead. The Frank Russell study looked at two very different periods in the stock market. During the four years through early 1987, it was easy pickines for money managers, then the going got a lot tougher. The worst managers in the first period outperformed the best in the second by a wide margin. It is possible that the managers who had done best in the begin-

ning had free-wheeling styles less suited to the more treacherous late 1980s. "Either they have a growth manager or a value manager," said Mr. Albrecht. Performance "depends on which style is in vogue."

It also depends on which types of investments are in vogue. The idea behind mutual funds is that they reduce risk by diversifying, but there has been a rapid expansion in the number of funds that invest in a single vehicle, such as health care stocks or precious metals, or stocks of a particular foreign

With so many different sectors - and funds to invest in them - some of them have to get hot some time. The problem is that the hottest investments do not cool off, they freeze. Of the four leading funds of 1989, which fell so spectacularly the next year, two

steadier and so more predictable? Not really. The rating group Lipper Analytical Services was asked to rank the top 20 and bottom 20 general-equity funds for the years ended Oct. 31, 1987 through 1991, and see how they did during the following year.

In only one of the years, 1991, did the best funds go on to do much better than the worst. Six of the top 20 in the year to Oct. 31, 1991, finished in the top hundred the following year, compared with just one of the

In the 1990 period, by contrast, the best did conspicuously worse the following year. Of the top 20 funds, only one finished in the top 100 the next year, while 11 finished worse than 700th. Twelve of the bottom 20 finished in the top 100 the following year. Just three did worse than 700th.

One explanation for the findings offered by Stephen Leeb, editor of the newsletter Personal Finance, is that even diversified funds are not all that diversified.

"Even nonsector funds," he said, "will look at just one part of the market: high-beta

stocks, value plays, growth plays." In fact, the top and bottom funds of 1990 were a mixed hag of growth and value, blue-chip and small-capitalization funds. But the year after, many of the best were smallcompany growth funds, while value funds clustered around the bottom. The fact that the form held through October 1992 reflects the strong performance of smaller stocks.

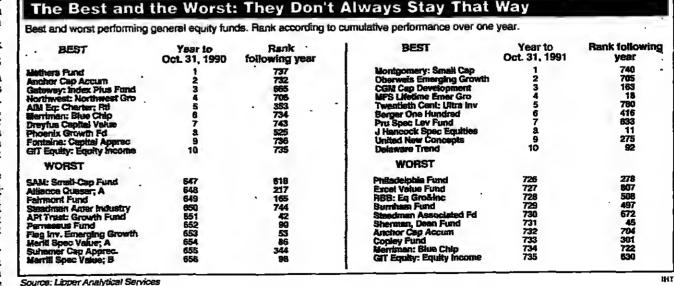
There's no clear answer," said Mr. We ber. "You want to stay away from funds that are always weak. If you find a fund that was strong in the past, you might want to buy it after a period of weakness if it has the same manager. Maybe his type of investing will cycle back into favor.

Mr. Leeb thinks the secret is "to look both at performance and risk." He said. "What an investor should look at is a fund's correlation with the market. If its moves tend to correlate with the market, that would be a very

Mr. Albrecht of Morningstar agrees. His firm assigns risk-adjusted performance ratings to funds. Risk is calculated under a formula based on the number of months in a given period in which a fund does worse than the return available on Treasury bills. A rating is given that takes into account the level of underperformance, compared with other funds with the same investment objec-

What the ratings are looking for, he said is "if a fund or a manager has been able to do well in all types of markets — a bull, a bear — and all styles of investing. That's basically how we use our ratings. It's not the most accurate measure, but it does show the best funds for the buy-and-hold investor, the long-term investor.

No Longer Bellwethers S&P 500 index Relative performance since Dec. 31, 1972. 80 74 76 78



EDUCATION DIRECTORY WEDNESDAY BUSINESS MESSAGE CENTER INTERNATIONAL RECRUITMENT PREAL ESTATE MARKETPLACE REAL ESTATE MARKETPLACE HOLIDAYS & TRAVEL THURSDAY SATURDAY ARTS & ANTIQUE

READ IHT CLASSIFIEDS. FOR ALL YOUR SERVICE NEEDS.

Pag M NI ende COUL age I

Decli berec 9-tochan •Mi devel for t and ту р weigl said at Ki pone rose

mobi did u Th centr been creas nc, w egch held: pean Re ·In

A ANN A ACE MARIE MARIE

THE MONEY REPORT

Wheeling and Dealing in Classic Bicycle Trade

By Paul Geitner

EVER underestimate the power of nostalgia, especially when it comes to collectibles. The same generation that still goes wild over Marilyn Monroe memorabilia and pushed baseball card prices into the major leagues has found a new way to relive child-

bood memories: classic bicycles. Baby boomers have invaded a field once the sole province of museums and history buffs who enjoy dressing up in knickerbockers, bow ties and jaunty caps to ride their 19th century "boneshakers" and "highwheelers." But the new buyers are looking for the flashy chrome and steel bikes of the 1930s, '40s, and '50s — and paying big bucks when they find them.

"Their dads wouldn't buy them for them when they were 12 years old," says James L. Hurd, curator of the Schwinn History Center in Chicago. "Now they don't have to ask their dads."

While much of the appeal is emotional, the classic bicycle market has taken off

enough to attract serious investors.

"If you don't know what you're doing, the numbers will knock you over," says Michael Fallon, a Copake, New York, dealer who held the first bicycle-only auction last Sotheby's in London. "It's a powerful marspring. "If you know what you're doing, you

can make money." Much of the trading is done privately. through club newsletters, swap meets, bike shops and antique dealers. Mr. Fallon's auction attracted bidders from across the country, Canada and Japan; another is planned for next April.

"There is a European market, but it buys really expensive bikes, turn-of-the-century," Mr. Fallon says.

Observers expect the better classic bikes to show up eventually at the big auction houses, as prices climb into five digits. In the meantime, new collectors who get hooked on the history of two-wheeled transportation are pushing up prices for the older, antique

"I get buyers worldwide," says Toby Wilson, who handles antique bicycle sales for

The 1890s is considered the heyday of the bicycle among traditional collectors. About 300 manufacturers supplied the masses with pneumatic-tired transportation.

There are few bikes from that era lying around unrecognized anymore, and the best models generally trade for more than \$10,000. "It's quite a tough market to buy into," Mr. Wilson said.

Bicycle sales plunged with the advent of the automobile, not to mention the Great Depression. But at Chicago's Century of Progress Exhibition in 1933, the Arnold, Schwinn and Co. introduced "Super Balloon Tire Bicycles," ushering in a new boom era. More than 38 million balloon-tire bicycles

were made over the next 30 years. Prewar styles incorporated streamlining and Art Deco designs to mirror the airplanes and locomotives of the day. Sears marketed its 1937 Eigin Skylark, with teardrop-shaped pedals and spider-web rear fender, as "the prettiest thing on wheels."

Today, the most famous, like the Schwinn Acro Cycle, the Sears Elgin Bluebird and the Shelby Airflo, fetch up to \$10,000, more than 100 times the original sale prices.

After World War II, as the car culture

grew in the United States, bike manufacturers turned their attention to the children's market. Designs became flashier, with appointments like chrome fenders, wide white wall tires, even fake gas tanks and an AM

The epitome of the period, the bike on most every kid's wish list in the 1950s, was the Black Phantom. Manufactured by Schwinn from 1949 to 1959, this boy's model had it all, including a key to lock the front

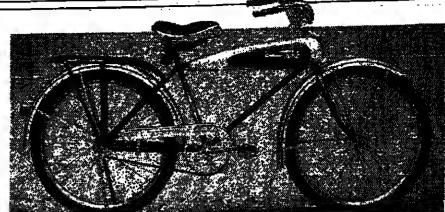
These bikes also were made to last, meaning a lot of them probably are still lying around in garages, barns and basements.

"We didn't design things then to throw it away," Mr. Hurd says. "People that paid good money for something kept it."

Mr. Hurd says he regularly gets reports of collectors who pick up classic bikes from masspectime owners at baryain prices, like

These bikes also were made to last, mean-

unsuspecting owners at bargain prices, like the guy who bought an Aero Cycle for \$2.50



Schwinn's Aero Cycle can fetch more than 100 times the original price.

at a garage sale, then traded it to a bike shop

owner for a brand new bicycle.
These things are still findable and affordable," he says. "It's still a buyer's market." Mr. Fallon agrees, although he believes most sellers are not totally naive. "They might not know what they're worth, but they

know what they are," he says.

Mr. Hurd and his wife, T.A. Gordon, who edits the newsletter Antique/Classic Bicycle News, put out a 1992 Bicycle Blue Book to help newcomers decide what to ask or how much to pay. But they note that prices have exploded over the past five years and have

yet to settle.

There is good investment potential in many of the bicycles, and there are lucrative

selling and trading opportunities within the hobby," they write.

But most collectors say the true value is the entertainment value.

Pryor Dodge, 43, of New York began his collection in 1971 with a \$600 highwheeler. Today, his collection, which expanded to bicycle posters during the 11 years he lived in

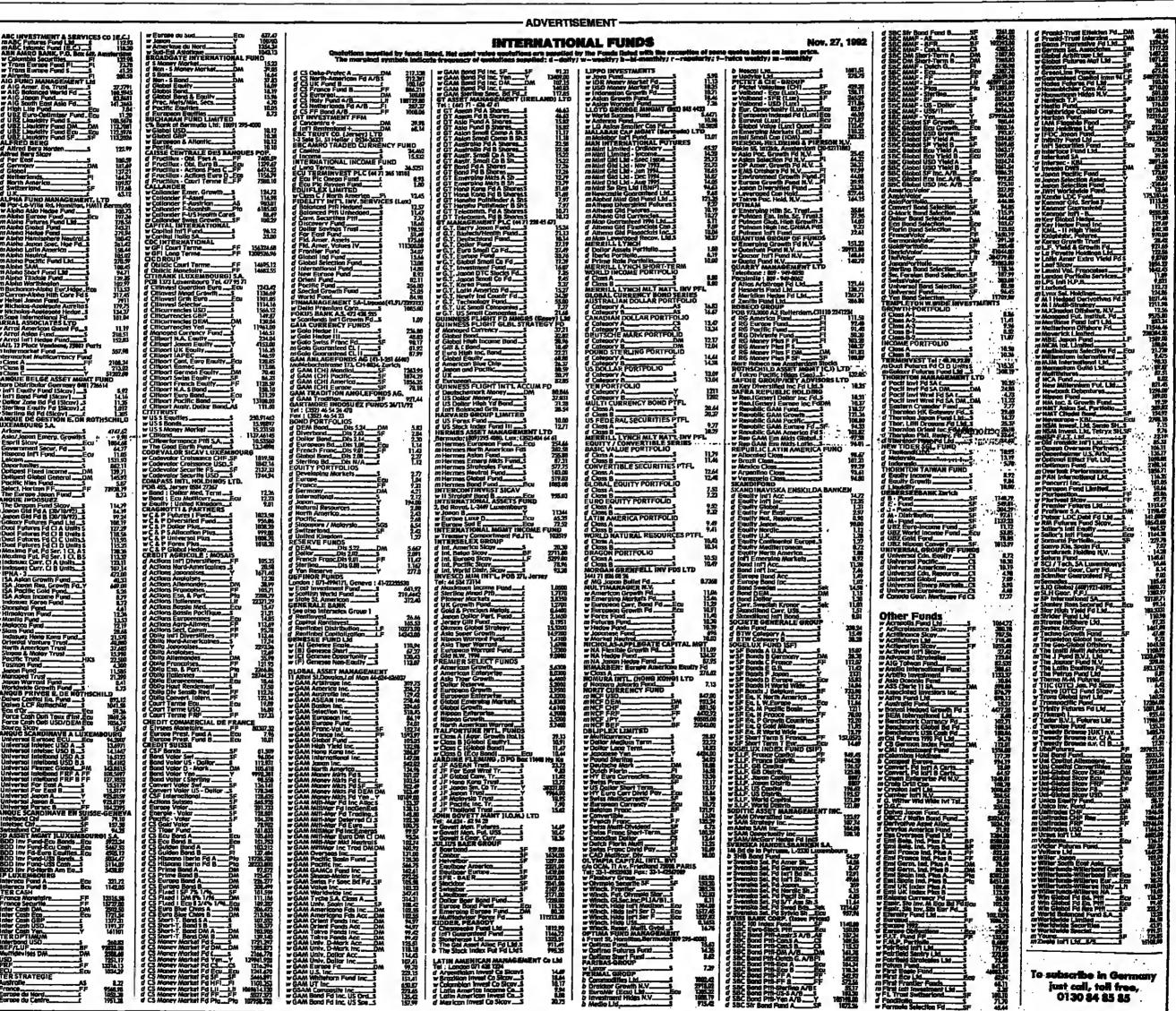
Paris, is so big he loans it out for exhibitions.

"Bikes meant a lot to me as a kid," he says.

"My joy at this point is having other people

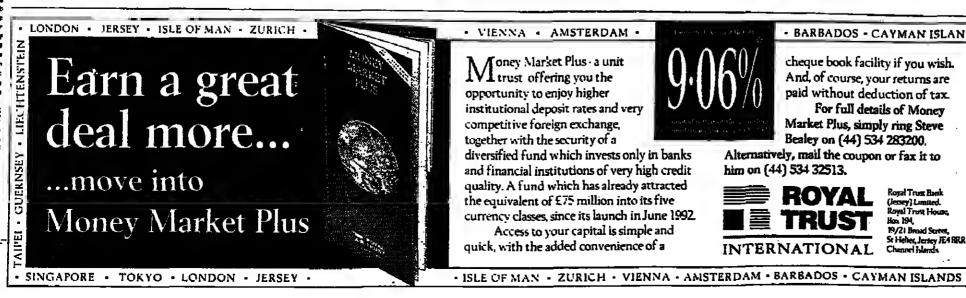
enjoy the collection."

Sotheby's Mr. Wilson notes that new materials and designs are already making some of today's mountain bikes obsolete — meaning that they, too, could become collectibles



For Information on how to list your fund, fax Simon OSBORN on (33-1) 46 37 21 33.

- BARBADOS - CAYMAN ISLANDS - BRITISH VIRGIN ISLANDS - TORONTO - MONTREAL



Noney Market Plus - a unit IVI trust offering you the opportunity to enjoy higher institutional deposit rates and very competitive foreign exchange, together with the security of a

· VIENNA · AMSTERDAM ·

diversified fund which invests only in banks and financial institutions of very high credit quality. A fund which has already attracted the equivalent of £75 million into its five currency classes, since its launch in June 1992.

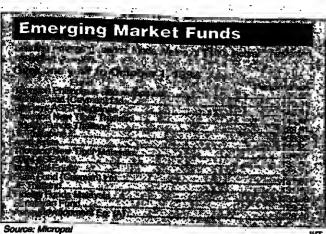
Access to your capital is simple and quick, with the added convenience of a

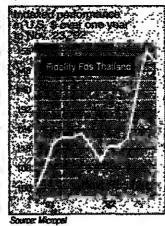
cheque book facility if you wish. And, of course, your returns are paid without deduction of tax. For full details of Money

Market Plus, simply ring Steve Bealey on (44) 534 283200. Alternatively, mail the coupon or fax it to

him on (44) 534 32513.

World Market Performances Over the Week





Making a Bet on Growth Risk and Return in the Emerging Markets

By Philip Crawford

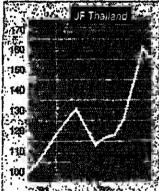
THILE the world's most developed econ-omies — the United States, Western Europe and Irons — that is thegen by along, more and more investors are beginning to think in slightly more exotic, albeit riskier terms in searching for a decent return, say

only whose gross domestic product is growing at just a blade, goes a popular view, when output in emerging markets such as Thai-land, Malaysia, China and some Latin American countries indicates real growth, above inflation, of between 7 and 10 percent per year? It is a point that investors who are willing to accept a higher degree of volatility are apparently taking to

"It's almost become a case of the emerging markets versus the submerging ones," said Richard Timberlake, a London-based investment consultant. "Emerging markets contain 30 percent of the world's population, but produce only 13 percent of the global do-mestic product and have just 6 percent of the world's stock market capital. The potential is enormous, capital. The potential is enomous, and more investors are beginning to see that. If you're looking for growth in equities, you should be looking at growth economies."

Most analysts say that emerging markets funds, be they global, regional or concentrated in a single country, are the best way a single country.

country, are the best way for investors to enter the sector, as opposed



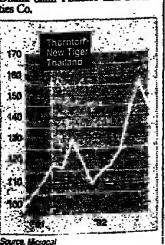
to dealing in individual stocks where execution and settlement procedures can prove laborious. Moreover, of the roughly 100 Asian/Far East funds and 50 Latin American funds to choose from, many have turned in performances that back up the current bullishness

on emerging markets.

Two of the best performing funds over the past year have been Thornton Investment Manage-ment's Philippines Redevelopment fund and New Tiger Thailand fund, which have delivered huge returns of 98 percent and 44 per-cent for the year ended Oct. 1, according to fund-tracker Micro-pal. Both funds are open-ended, domiciled in Bermuda, and carry a minimum investment requirement

"Things were pretty nightmarish for investors in the Philippines dur-ing the mid-eighties," said Nick Hodgson, a London-based Thornton analyst. "And you still need to go in wearing a hard had. But that having been said, we like the Philippine market, especially since the election in June [in which General Fidel V. Ramos was elected presitient]. Policies are clearer and the overall economy is in reasonable

Central components of Thornton's Philippines fund portfolio.
Mr. Hodgson said, are Philippine
Long Distance Telephone Co.,
Philippine National Bank, and San Miguel Corp., the brewer. He added that Thornton liked Thai equities "across the board," and that core holdings of its Thai fund in-cluded stocks such as Thai Military Bank (not connected to the coun ny's armed forces), Saha Union Corp., a textile concern, and Dhanz Siam Finance and Securi-





The positive outlook on Thai equities is shared by many analysis. some of whom say that the eco-nomic unrest caused by the politilast May's rioting against the sweeping powers of the military, appears to have been stabilized by the recent election of Chuan Leck-

Jardine-Fleming Unit Trusts Jardine-Fleming Unit Trusts also has single-country Philippines and Thailand funds that have been among the best emerging-markets performers, returning 47 percent and 60 percent for the year ended Oct. 30. Acknowledging the high returns, Jardine-Fleming's marketing manager in Hong Kong, Betty Ng, maintained that such funds are still not for the squeamish investor. "If you want the possibility of high returns, you also have to be prepared for the volatility of these markets," she said, "Investors typically put in conservative amounts,

cally put in conservative amounts, which keeps the funds small." Fidelity International's Thailand fund and Mehryia fund have been top; performed as well, returning 36 percent and 31 percent for the year ended Oct. 1. More people seem prepared to take some risk on board, and their appetites are be-Bruce Russell, Fidelity's global policy strategist. "I think the next inputiors will be Vietnam and India, where the potential is explo-

Mr. Russell added that the phe-nomenon of investors going intopotentially high-return emerging markets is not really a new one, but is indeed a growing one, as decent returns in mature markets have gotten so hard to come by.

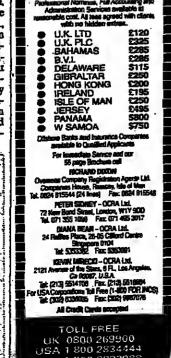
For investors interested in greater diversification, industry analysts are positive on several global funds, including Baring Asset Manage-ment's Global Emerging Markets fund and Morgan Stanley's Emerging Markets fund. The Baring portfolio is most heavily weighted in

Korean and Mexican equities.
"We think the U.S. economy will improve in '93, and both of those countries are heavily leveraged into a U.S. recovery," said Richard Chenevix-Trench, Baring's director of emerging markets. "We also like Mexico because we feel that the government has handled the fight against inflation exceptionally well. Interest rates have tightened recently, and the government is ap-parently willing to take some flak for constraining growth in the short term in order to lower inflation and hopefully aid the long-term pic-

Speaking more generally, Mr. Chenevix-Trench said that the influx of investment cash to emerging markets has had as much to do with changing government attitudes as

No. 1 OFFSHORE COMPANY

SPECIALISTS



a 200 8323988

both, and that is a big change. Many of these markets became available at the same time that investors started looking for alterna-

Morgan Stanley's Emerging Markets fund, which returned 21.5 percent in the year ending Oct. 30, is most heavily weighted in Indonesia, Thatland, Messac, Horg Roug and, surprisingly, Brazil. "We know that Brazil is a contrarian robital," and Methoday Dhan bead policy," said Mahday Dhar, head of the fund's management team. "At times, Brazil can seem like a basket case. But we've also taken positions in India and Turkey, and we're building one in Pern."

There is, of course, another ma-jor emerging market available to investors besides Asia, the Far East and South America, one which analysts say has similar blockbuster potential despite its current strugges: Eastern Europe. Again, funds appear to be the vehicle of choice, as execution and settlement procedures for dealing in individual stocks on the Warsaw or Budapest stock exchanges are still develop-

ing, say experts.
Of the Eastern Europe funds
open to individual investors, those mentioned by analysts as being via-ble entrées to the market include the East German Investment Trust PLC, run by Erneassen and Co.; the: Hungarian Investment Co., managed by John Govett Unit Management; and the Czechoslovakia Investment Corp., launched last summer by Robert Fleming & Co. All are listed on the London Stock Exchange

France 0.4%
Sitiati 0.0%

Top Ten Stocks
Sveriska Handelsbk A 69.2%

Sveriska Handelstik A 69.2%
Skand Enskilda BK A 64.8%
Svenska Handelstik B Fri 60.5%
MoDo B Fria 56.5%
Trizec A 45.0%
Historisation A Fria 40.9%
Custos A 45.0%
Inclustrivarden A 38.1%
Custos B Fria 37.3%
Nobel Industrier 36.8%
Bottom Ten Stocks
Norsk Data A 33.3% Norsk Date A 33.3%
PWA Corp 29.7%
BET 25.6% Aitalia Grd 21.1%
BIS 20.7%
DAF 19.8%
Meho 19.0%
Comeu Finanziaria 17.7% All digitals are percentage thange in U.S. dollar name.

Ciga risp Non CV-16.2% Industry Indexes Performance Data Processing & Reproduction......4.5% Appliances & Household Durables3.6% Electronics Components, Instruments .3.1% Recreation, Other Consumer Goods ... 2.9% Forest Products & Paper......24% Merchandising......1.7% Broadcasting & Publishing1.6% Real Estate1.6% Constructions & Housing1.4% Misc. Materials & Commodities.......1.4% Multi-Industry ______1.3%
Machinery & Engineering _____1.2% Energy Equipment & Services1.0% Industrial Components1.0% Building Materials & Components.......0.5% Leisure & Tourism 0.3%
Energy Sources 0.2%
Health & Personal Care 0.2% Transportation - Shipping-0.2%
Gold Mines-0.2% Aerospace & Military Technology, 0.3% Wholesale & International Trade -0.5% Sources: Morgan Stepley Capital International.

Madrid Exchange Seeks Sunnier Skies After Peseta Storm

percent higher than its level at the don't see the market rallying on the beginning of October, when the back of this news."

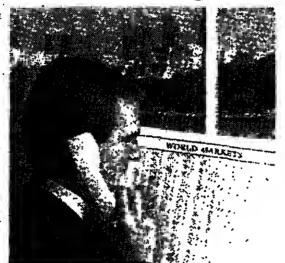
none the warre off. After falling about a percentage point the first two days this week, the Ibex 35 index bounced back to close Friday at 2,364.21, up 1.8 percent on the week. Wood Mackenzie. The news is That put the index close to 25 more negative than positive. We

The problem, he said, is the declaration of the previous few weeks. The bad ing after a similar move in September, left the Madrid stock market stood above 2,800. How do Spanish process the work of After felling stock look from here?

The problem, he said, is the devaluation wasn't big enough to push interest rates lower. That won't happen, Mr. Echeguren suspects, left the Madrid stock market stood above 2,800. How do Spanish process, until "well into 1993." As for the work off. After felling stook from here? the recent upward move, he said that "not so many stocks are rising,

just the blue chips."
Peter Stephens, an analyst at Barclays de Zocte Wedd, agreed that the near-term outlook is not very bright. "The market is going to be nervous until it's happy where the peseta is," he remarked.

Living Away From Home?



Now There's An Easy Way To Trade In

Markets Worldwide.

Fidelity International Investor Service

Fidelity's new International Investor Service is unique and well suited to the needs of expatriates and international investors. It offers independent-minded investors access to a broad range of mutual funds plus securities trading worldwide, all through one convenient brokerage account. And all this at a discount over full

Uninvested cash balances are automatically swept into a Money Market Account and earn competitive interest rates in the currency of your choice.

As part of one of the US's largest investment management groups, you can trust Fidelity Brokerage to have the resources and expertise you need.

For more information and the free Your Guide to World Stockmarkets call Fidelity NOW.

Discount commissions over full cost

- Securities and mutual fund trading
- US, UK, European and other major stock markets
- Multi-currency Money Market Account
- Dedicated dealers

Call (44) 732 838811 UK Califree 0800 222190

9am - 9pm UK time (7 days) Fax (44) 732 838911 anytime To: Fidelity Brokerage Services Limited, 25-26 Lovat Lane, London EC3R 8LL Mr Mar Min (Phrac print) Day/live (please circle) (का क्षेत्र भट प्राप्त दार्थ का कि सहक्रत महे क्षेत्रक्रिक क्षित प्राप्त क्षित) **Fidelity Brokerage**

member of the London Stock Exchange and The SFA.

OUR EXPERTISE

GO LONG IN BONDS

GLOBAL BOND FUND[†] major gov't bond markets PERFORMANCE from 1/91 62.5%

GLOBAL HIGH INCOME BOND FUND[†] personmance from 1/91 48.4%

> **EUROPEAN BOND FUND** nator european gov't bond market PERFORMANCE from 1/91 37.4%

EURDPEAN HIGH INCOME BOND FUND higher yield european gov't bond mark PERFORMANCE from 1/91 33.2% (PT 11\\\ 30' 325c)

> US DOLLAR BOND FUND PERFORMANCE from 1/91 54.1%

GILT & STERLING BOND FUND alt and eurostering bond markets
PERFORMANCE from 1/91 22.7%

YEN BOND FUND!

nese gov't and corporate bond markets PERFORMANCE from 1/91 67.1%

INTL PRIME BOND FUND PERFORMANCE from 1/91 60.8%

BONDS

INT'L HIGH YIELD BOND FUND. an'l higher yield bond markets PERFORMANCE from 1/91 49.4% (42.7/89,73.9%)

EUROPEAN HIGH YIELD BOND FUND. higher yield european goe't bond markets PERFORMANCE from 1/91 N/A

US DOLLAR HIGH YIELD BOND FUND' PERFORMANCE from 1/91 N/A

STERLING HIGH YIELD BOND FUND PERFORMANCE from 1/91 28/7%

GLOBAL HIGH INCOME BOND TRUST int'l higher yield bond markets PERFORMANCE from 1/91 N/A (st. 5/91, 132%)

> EMU TRUST higher yield european gov't bond markets PERFORMANCE from 1/91 27.8%

PREMIUM FIXED INTEREST TRUST PERFORMANCE from 1/91 N/A

† = Distributing Offshore Fund,

ess Flight Global Strategy Fund Limited - = Roll-up Offshore Fund. - = UK Authorised Unit Trust

RUNS DEEPER.

Guinness Flight is acknowledged as one of the leaders in the management of fixed interest portfolios. We currently manage this range of fifteen bond funds and unit trusts, together worth over \$330 million, on behalf of approximately eight thousand investors. To find out more, return the

coupon NOW. FREE GUIDE TO DFFSHORE BOND

ness Flight Global Asset Management Limited, Ligh Court 5 Gamelord Street, London SEL INE. Telephone. 071-522 2111
Please send rue a free guide to Offshore Band Funds and Bond Unit

UK authorsed band unit trusts [7] All band funds and unit trusts [7]; or

All performance figures to 16.11.92, mid to mid, gross income r in Sterling, Source: Manager's published prices. Past performan necessarily is guide to the luture. The value of these investment uncome arising from them may fall as well as use and are not guaranteed Subat, European, US Dollar, Yen and Imarmational Prime Bond Funds, may hold more than 35% of their property in Government Securities and other poly-tic securities issued by the same squareful, details of which may be found in the funds' product particulant This advertisement is instead by Guinness Right Global Asset Management Limited, a member of IMRO and Lautto.

SPORTS FORSE RACING

Foreign Horses Are Kept Off Fast Track as Racing Booms in Japan

By Christine Casatelli Special to the Herald Tribune

TOKYO - Seven foreign thoroughbreds will go to the post Sunday at Tokyo Race Course for the 12th running of the Japan Cup. a race with a \$3 million purse. With the winner getting \$1.3 million, it is world's second-richest horse race, surpassed only by the Breeder's Cup Classic.

It also is the only big-money race in Japan in which foreign horses are allowed to run, because the protectionist policies that restrict the importing of everything from ground beef to citrus fruits also extend to racing horses.

"It's the same as rice -- there are some Japanese horse breeders who are against foreign competition," said an official from the Japan Racing Association, who asked not to be identified. "If foreign borses come here, they are fast and they will earn much money."

He did not mention it, but the record books show that since the first Japan Cup was run, in 1981, all but two winners have been foreign horses.

The prize money for horse races in Japan is among the highest in the world, the sport is the most popular form of gambling in the country, and the racing association is gambling in the country, and the racing association is doing all it can to induce more people to come to its tracks. So why not put on the best show?

"The policy is to protect Japanese horse breeders," said

But, feeling the pressure from Western nations to

Japan's breeders happy. It announced Wednesday that it would open one more big race in 1994 to foreign horses.
"Of course the JRA will open its policy, but gradually," the official said.

While foreign thoroughbreds may not race in Japan for big money, Japanese horses are often taken to Europe and the United States to race - with limited success.

"When Japanese horses compete overseas, they are defeated," the official said, adding that Japan still had much to learn about breeding and training from Western nations, whose tradition in horse racing goes back hundreds of years.

Robert Timbello is a retired military contractor from Syracuse, New York, who now lives in Saiyama, near Tokyo. A longtime racing fan, Timbello, 67, continues to pursue his interest with weekly visits to Tokyo Race Course. He said that although he is impressed with the level of racing in Japan, "If the Japanese want to improve their own borse racing, it hurts them not to open it up to foreign competitors."

But if foreign owners are not allowed to ship in their horses for the big races, they and Japanese owners have found ways to cash in on big purses.

One way is for a foreign owner to bring his horse to Japan to be bred with Japanese horses. Then, even if the

tige races overseas by purchasing horses bred and trained road so they can later run them back home.

A favorite in Sunday's race is Dr Devious, who will he The prize money in Japan is

and the sport's officials are trying to interest more people. So why not put on the best show?

among the highest in the world

ridden by Chris McCarron. The 1992 English Derby winner, the British-bred Dr Devious was recently purchased by a Japanese race horse owner, Zenya Yoshida,

for a reported \$6 million.

[Dr Devious and User Friendly, another English classic winner, got a low draw on Friday, starting from the the fifth and first positions respectively, the organizers announced on Friday, Reuters reported.

User Friendly, the British bookmakers' midweck first

ice, was quoted by a major Japanese sports daily on Owners and breeders aren't the only ones who make

change its restrictive policies, the association is now considering how to appearse foreign interests while keeping is. On the other hand, Japanese owners compete in prestracks took in 3.4 trillion year, the racing association official said. That means the Japanese spent nearly as much on horse racing as they did on their military, which had a budget of 4.4 trillion yen. Of the money the association takes in, 10 percent goes to the national treasury, which returns most of it for livestock improvement and spends a fraction on social welfare programs.

According to association figures, wagering on horses is by far the most popular form of gambling in Japan, with about 13 million Japanese making bets in 1991. Other forms of legalized gambling drew fewer than 4 million

But despite its growing popularity, horse racing still carries a social stigma associated with gambling in Japan. Company employees often do not tell their colleagues when they visit the track. And although Japanese law—which prohibits anyone under the age of 20 from betting—doesn't have any restrictions on who may be admitted to a race track, most high schools prohibit their students from sping.

More and more parents, however, are bringing their children along for a day at the races. Toshihiko Ezawa takes his family to Kyoto Race Course twice a month. An office worker, Ezawa said he and his wife could bet while their 4-year-old and 2-year-old ride the "mini-bullet train" and play at the track's large playground area.

"Recently, lots of families are coming because now the race course has a place for the children to play," Ezawa

Building playgrounds to attract families is just one way the association is trying to dress up the seedy image of horse racing in Japan. The association recently ran a television commercial featuring the popular Japanese movie actor Ken Takanra. His message: racing is now

And, in a further effort to get more Japanese to the track for the first time, the racing body is cleaning up its act. literally.

"A long time ago, race tracks were very dirty places, said Yutaka Yamaguchi, spokesman for Kyoto Race Course Built in 1924, the Kyoto track has been remodeled to include about 1,370 computerized betting windows, hundreds of closed-circuit TV monitors and an inige video screen on the infield.

The association's primary target is the younger genera-tion, especially women. Of more than 37,000 people who regularly came to the Tokyo Race Course on each Saharday and Sunday in 1991, roughly 11.6 percent were wom-en, according to the association.

"We're seeing more women come here, especially women who come in groups," Sano said. And for them, the racing body is now providing concerts and restaurants at the tracks.

Arazi, We Hardly Knew Ye

Mystique Still Surrounds Superstar Horse's Rise and Fall

By Joseph Durso

northern Missouri this week just in time to lend a seasonal tone to Jimmy Jones's 86th birthday and 86th Thanksgiving Day.

And the onetime master trainer for Calumet Farm, the home of the Triple Crown champions Whirlaway and Citation and seven other winners of the Kentucky Derby, was nudged from his holiday mood when the telephone rang and directed his thoughts to one borse and one mysiery.

Now that Arazi is history, he was asked, what will history say? Are we to think he was the toast of two continents when he was 2 years old but an international puzzle when he was 3? Was be overrated or an

The questions arose last Sunday when Arazi was retired and booked for a new career as a stallion. He will stand at the Dalham Hall Stud in Newmarket, England, the breeding headquarters of Sheikh Mo-hammed ibn Rashid al Maktoum. The sheikh paid \$9 million to Al-

len E. Paulson a year ago for a halfinterest in Arazi. He now takes full control of the colt in retirement. So, they won't have Arazi to kick around anymore as a media super-

star. But the mystique and the mysfery will hager. He is the great unknown of racing in 1992. "You'll never know how good he might have been." Jones said. "Too many "ifs." He had extreme soced for a ways when he was 2. But he was

crippled when he was 3. It will be

very hard for anybody to judge Arazi or to compare him to great ones."

Arazi was bred by Ralph Wilson,
the owner of the Buffalo Bills Nafional Football League team, and was foaled ou March 4, 1989, at the

Saxony Farm in Kentucky. He was sold for \$350,000 to Paulson. The colt was sent to the stable of François Boutin in Paris in the fall of 1990 and went to the races at Chantilly in the spring of 1991. He

Light snow covered the fields in Piggott Ready To Ride Again

> LONDON - The jockey Lester Piggott, who survived a dramatic fall at the Breeders' Cup last month, said Friday that he is fit enough to ride again.

> "I feel fine and I could ride next week, but there are nn burses for me, and it's a bit cold," said Piggott, 57. "I haven't actually fixed a time when I will return. It just depends when I am made some offers to ride horses.

Piggott smashed his collar bone. cracked two ribs and suffered severe internal bruising when his mount, Mr. Brooks, shattered a leg and rolled onto him during the Breeders' Cup Sprint at Gulfstream Park in Florida on Oct. 31. The horse was destroyed.

ran second in his debut, then won six races in a row against the best 2year-olds in Europe. He was a celebrity, almost a leg-

end, by the time he flew to Kentucky to a clamorous return home in the \$1 million Breeders' Cup

raced on dirt, the first time he had ran himself ont. But they wanted ever raced around left-handed him to run in the Kentucky Derby, turns, and it took him a while to get and that put the pressure on him." down the backstretch. But then he rocketed around the

entire field, flew past them all

and win the Kentucky Derby.

"Yes, he looked beautiful in the
Breeders' Cup," Jones said. "I don't
know how good those other horses
were, the ones he beat. But I think he
ran a terrific race that day."

"Each of the weeks fater, he
was retired. He had won 9 of 14
races and earned \$1.2 million.

"He was brilliant for a while,"
Jones said. "But I can't put him up
with the great ones. He had toc
many "ifs' for that."

"Did he remind me of any of my big ones?" he added. "Well, I thought of him a little bit like Whirlaway, maybe Whirlaway in the making. He liked to let those horses get in front of him and get tired, and then he liked to run late. He'd take a big shot at them."

Whirlaway took his big shots 50 years ago; Secretariat, 20 years ago. And now, there was Arazi, stopping the show and shaking down the memories. He was voted the best 2vear-old horse in North America and the best of any age in France.
But, as suddenly as it had fa-

vored him, racing fortune aban-doned him. Four days after his dramatie dash, Arazi nnderwent arthroscopic surgery to remove bone spurs on both knees. Three weeks later, he returned to

France, And four months after that, be got back to racing and won the Prix Omnium at St. Cloud without much resistance, much opposi-tion or much training. It was 25 days to the Kentucky Derby.

"The thing is," Jones said, "he looked awfully good as a 2-year-old in the fall. But when he came back in the spring he didd," have a

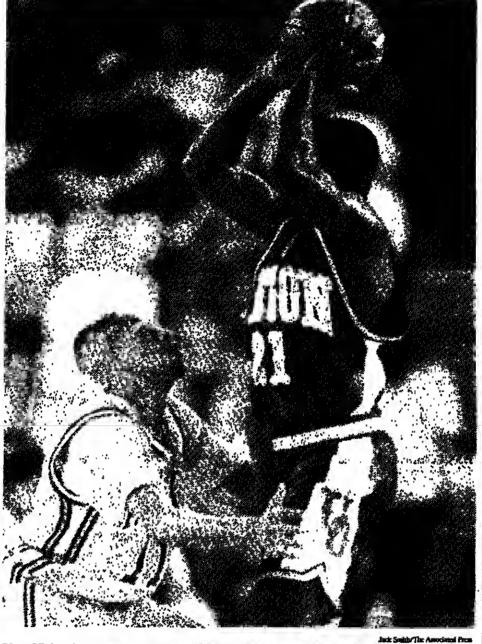
in the spring, he didn't have a chance. That's a serious operation, both knees. And they put him right back in training soon after. Then they brought him back too soon for Juvenile at Churchill Downs.

It was the first time he had ever use of him until the horse simply Arazi gave it a noble shot for

mile or so, and even was dueling for the lead in the stretch. But he had nothing left to give. He finished through the homestretch and won by five lengths. Just like that, he was being called the best since Secretariat; just like that, he became the early favorite to return six morable later. favorite to return six months later ers' Cup Mile. Three weeks later, he

HE SAYS, "THE BEST WAY TO LOSE

WEIGHT IS TO CURE



UP FOR TWO — Oregon's Orlando Williams soaring over Craig Vaughn of Alaska-Anchorage to get off a shot in Oregon's 96-73 victory in the Great Alaska Shootout in Anchorage. In the semifinals of the college preseason basketball tournament, the Ducks face New Mexico State.

SIDELINES.

Gullit Urges Clubs' Action on Racism

MILAN (AP) - The Dutch soccer star Rund Gullit was quoted Friday

MILAN (AP) — The Dutch soccer star kind Guilit was quoted Pricay as urging soccer chib presidents to issue a strong signal discouraging racial incidents in stadiums, even stopping matches if necessary.

"The immediate intervention by Berhusconi and Agnelli would give people a clear signal, indicating whose side they're taking," said Gullit, a native of Suriname who is one of the most popular players on AC Milan, the Italian league champion, and captain of the Dutch national team. He was referring AC Milan's owner, the media magnate Silvio Berluscom, and the owner of Juvenus of Turin and Fiat, Gianni Agnelli. There has been a rach of enti-foreigner and anti-Semitic incidents in several Italian. been a rash of anti-foreigner and anti-Semitic incidents in several Italian

cities and in some soccer stadiums.

In interviews with the Italian sports dailies Gazzetta dello Sport and Corrière dello Sport, Gullit said: "I am dreaming of Mr. Berinsconi taking the mike and telling fans: stop with the insults, othewise we stop the game right now. I would be very proud of such a gesture, but I am aware there are many financial interests related to soccer.

Grady Takes Lead in Australian Golf

SYDNEY (AP) - Wayne Grady shot a flawless 6-under-par 66 on Friday to grab a four-shot lead after the second round of the Australian

Open golf championship.

Grady's blemish-free round was highlighted by six hirdies. It gave him an 11-under-par total of 131 over the the par-72, 6,791-yard (6,215-meter)
The Lakes course. The 1990 U.S. PGA champion led fellow Australian Steve Elkington, who shot a second round 68. Raymond Floyd of the Steve Fixington, who shot a second round of Raymond Floyd of the United States had a roller-coaster round of 68 that left him in third place. Floyd was a shot ahead of Peter McWhimney of Australia (72), Peter Teravainen of the United States (71), and Fiji's Vijay Singh (69).

In Kaimoncho, Japan, Tsuneyuki Nakajima birdied the last two boles Friday for a second round of that vaulted him into a one-shot lead midway through the Casso World Open golf tournament.

Court Orders Borg to Pay Creditors

STOCKHOLM (AP) — Bjorn Borg, the former teams star whose fashion business (Bibline callapsed in 1989, was ordered Friday to pay 11 creditions 2580,000, the Swanish hieros againsy Threported and the was analysis of the swanish hieros againsy Threported and that he was analysis to pay the creditors. But Bertil Sodermark, a lawyer representing the creditors, said Borg still had many assets.

Counting interest, the amount due to the creditors since they filed suit in July 1990 totals almost \$740,000, TT said. The court in Nacka, south of

Maradona Thréatens to Quit Sevilla

MADRID (AP) — Diego Maradona threatened to return to Argentina if the financial problems between Sevilla and his former club, Napoli, were not solved, news reports said Friday.

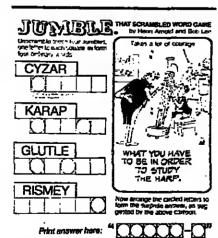
FIFA said Thursday that it may issue a rolling on Dec. 4 to resolve the dispute if Sevilla failed to secure a \$4.5 million guarantee with an Italian bank. The money, which is the remainder of a \$7.5 million contract for the transfer of Maradona, was due Wednesday.

For the Record

Marco Van Basten, AC Milan's star Dutch striker, has been voted soccer player of the year by World Soccer magazine. (AP)

DENNIS THE MENACE





To our readers in Switzerland It's never been easier to subscribe and save. Just call our Zurich office toli free: 155 57 57 or fax: (01) 481 82 88



BLONDIE

BEETLE BAILEY

THE GENERAL WANTS

EVERYONE WHO IS

ON A STRICT DIET

OVERWEIGHT TO GO



















CALVIN AND HOBBES







Berger e total a comp

Mo Retire

MFL Jets

TANK THE PARTY INCOME.

1.5%

- -

·

. .

C .

WIZARD of ID







REX MORGAN







GARFIELD

المرافقة والمستحصر والمرافي والمرافق والمرافق والمرافق والمرافق والمرافق والمرافق والمرافق والمرافق والمرافق والمرافق



SPORTS F 49ers Defense Spells

Do or Die for Eagles

Saints Can Cramp Dolphins Offense

New York Times Service

EAGLES (7-4) at 49ERS (9-2)

Key stat: Eagles have allowed only one rushing touchdown this season; 49ers running back Ricky Watters has 965 rushing yards, averages 5.1 yards per carry and has nine rushing touchdowns. Consument: Huge game for the Eagles to regroup and gain the form they had in their first four games. The Eagles want badly to be considered on the same level with the 49ers and to make a statement about which is the team to beat in the playoffs. It is an unattainable feat unless the Eagles grow in sync on offense — and the 49ers defense is too good to allow that to happen. Expect the Eagles' secondary, especially cornerback Izel Jenkins in one-one matchups, to have a horrible time covering receiver Jerry Rice. The 49ers are favored by 6½ points.

DOLPHINS (8-3) at SAINTS (8-3)

Key stat: Dolphins kicker Pete Stoyanovich is 20-of-25 in field goals (a

Key stat: Dolphins kicker Pete Stoyanovich is 20-of-25 in field goals (a 53-yarder his longest this season) and leads the league in scoring with 89 points; Saints have allowed only nine passing touchdowns. Comment: When the Miami coach, Don Shula, talks about his offense featuring

NFL MATCHUPS

firepower, he isn't kidding. On any offensive possession, the Dolphins can feature as many as six Pro Bowl players. But Shula will look across the line at the New Orleans defense and see as many explosive players. The Saints defense rallies well to the ball and will keep the Dolphins

The Saints defense rallies well to the ball and will keep the Dolphins offense in check when it matters most. Saints by 4.

CHIEFS (7-4) at JETS (3-8)

Key stat: Chiefs have won three straight and have allowed five of their last six opponents 17 or fewer points; Jets gained only 166 total yards from scrimmage in loss to New England. Comment: The Jets get an upclose look at a franchise that has been down, hired Coach Marty Schottenheimer, built slowly through the draft and put the pieces together with a mental toughness that now places the team on the precipice of possibly something great. This was a similar formula the Jets tried to follow but things have gone awry, especially with rookie quarterback Browning Nagle suffering more growing pains than expected. It's another all-around education for the Jets. Chiefs by 6.

BEARS (4-7) at BROWNS (5-6)

Key stat: Bears have 88 more passing yards and 59 more rushing yards

REARS (4-7) at BROWNS (5-6)

Key stat: Bears have 83 more passing yards and 59 more rushing yards than their opponents, but seven fewer touchdowns; Browns' Eric Metcalf's long punt return in 27 chances is 21 yards. Comment: Chicago — reeling from three straight home losses and four straight losses overall — finishes the season this way: at Cleveland, at Houston, home against Pittsburgh, at Detroit, at Dallas. Chicago could easily finish 4-12. Cleveland will pounce all over this team. Browns by 3½.

PATRIOTS (2-9) at FALCONS (4-7)

Key stat: Patriots after averaging 11 points a come in their first nine.

PATRIOTS (2-9) at FALCONS (4-7)

Key stat: Patriots, after averaging 11 points a game in their first nine games, have scored 61 in their last two; Falcons in loss to Buffalo allowed 7.2 rushing yards per carry. Comment: Losing quarterback Chris Miller to injury ruined any playoffs hopes for Atlanta. Billy Joe Tolliver is a capable backup, but has shown signs of rust that won't go away in one season, and the Falcons' defense has slipped miserably. Atlanta feels it has made too many strides in the last two years to lose to the Patriots in the Georgia Dome, where the Falcons have won four of six. Falcons by 5½.

CARDINALS (3-8) at REDSKINS (6-5)

Key stat: Cardinals, despite 17-0 deficit, won 27-24 over Washington in Week 5; no Redskins receiver ranks among NFC's top 10 in catches. Comment: Washington has scored one or fewer touchdowns in each of its last six games. Its once potent offense has been victimized by injuries to the

last six games. Its once potent offense has been victimized by injuries to the offensive line and quarterback Mark Rypien's spotty play. Phoenix cuters confidently, but this should be a breakout game for Washington and its offense as the team keeps its playoff chances in order. Redskins by 8.

STEFLERS (8-3) at BENGALS (4-7)

Key stat: Steelers are 7-1 on artificial turf; Bengals' David Klinger makes his first pro start. Comment: It was only a matter of time before the Bengals replaced Boomer Esiason with Klingler, the 70. I pick from Houston in the 1992 draft, Klinger hasn't taken a snap this season so he'll be learning on the run against one of the league's best run-se-the-ball defenses. Cincinnati will have its hands full with running back Barry Foster and with a defense that has a league-most 33 takeaways. Steelers by 76.

BUCCANEERS (4-7) at PACKERS (5-0)

Key stat: Buccancers have lost six of their last seven games; Packers have won three of their last four. Comment: In Week 2, Vinny Testaverde hit 22-of-25 passes for 363 yards as Tampa Bay rolled past Green Bay, 31-3. Few expect a repeat performance. Tampa Bay has steadily declined, while the Packers have steadily improved. Packers by 5½.

BILLS (9-2) at COLTS (4-7) Key stat: The Bills outrushed Atlanta last Sunday, 315 yards to 46; Colts were outrushed in loss to Steelers, 253 yards to 71. Comment: Buffalo smashed the Colts, 38-0, in Week 3 and look for more against a team in a customary position in the midst of its November fade. At this point in the season where teams begin sprinting toward the playoffs, the Colts are usually nothing more than fodder for those teams to gain in playoff home-field advantage. Don't expect a change and keep an eye on Bruce Smith, who has 15 career sacks against the Colts. Bills by 16½.

VIKINGS (8-3) at RAMS (4-7)

Key stat: Vikings quarterback Rich Gannon is only 14-of-40 for 137 passing yards in his last two games; Rams running back Cleveland Gary needs 137 rushing yards for 1,000. Comment: The last two Vikings opponents, Houston and Cleveland, tried a special concept against Gannon. Both teams tried to take away early big turnovers for Vikings special to the state and protect leads and both part scores that allowed Gannon to relax and protect leads, and both put heavy pressure on him from the start. The theory was to make Gannon beat you instead of the Vikings' defense. It worked for Houston and Cleveland came close, with Gannon being benched after a 13-0 Vikings

deficit and 5-for-12, 26-yard passing start. Here is a game where Gannon responds to the added pressure. Vikings by 2½.

RAIDERS (5-6) at CHARGERS (6-5)

Key stat: Raiders have won three of last four in San Diego; Chargers are over 500 for the first time in a nonstrike year since 1986. Comment: The Raiders feel good about their 24-0 shutout of Denver in a game where John Elway did not play, and now tackle the improved Chargers and their surging defense. No team has scored more than 21 points against the

surging defense. No team has scored more than 21 points against the Chargers in their last seven games, and five scored 14 or fewer. San Diego remains in the playoff scramble with these games left: at Phoenix, home against Cincinnati, at Raiders, at Seartle. Chargers by 3½.

BRONCOS (7-4) at SEAHAWES (1-10)

Key stat: Broncos are 1-4 in road games; Seahawks running back Chris Warren rushed for 154 against Chiefs. Comment: Seattle has been outscored, 218 to 73. Their 14 points in their loss to the Chiefs marked the season time state against that Seattle scored 14 or more, and came only the second time this season that Seattle scored 14 or more, and came on the heels of four of five games in which Seattle scored three or fewer points. Denver must win to keep pace with the Chiefs in the AFC West and it does. Broncos by 51/2.

These NFL matchaps were written by Thomas George of The New York Times. Odds were provided by Harrah's of Las Vegas.



The Cowboys' Emmitt Smith cutting away from a diving Rayna Thompson during his 120-yard, two-touchdown game against the Giants.

Smith Powers Cowboys' 30-3 Blitz of Giants

By Mickey Spagnola
Washington Post Service

IRVING, Texas - An official passing of the torch in the National Football Conference's East Division took place here, as the Dallas Cowboys further legitimized their drive toward the Super Bowl while the New York Giants fell to 5-7 and out of contention for a division. and out of contention for a division

The Cowboys did so by first toying with, then crushing, the Giants 30-3, on Thursday night. They did so by sweeping the two-game series against the Giants for the first time since 1987. And they did so mostly because of their Pro Bowl running back, Emmitt Smith, who not only recorded his first 100-yard (about 91.5-meter) rushing performance against the Giants (120) but also the Cowboys' first 100-yard rush-

ing performance against the Giants since Tony Dorsett did so in 1980. Most of all, the Cowboys (10-2) greedily grasped a two-and-a-half-

game lead over the Philadelphia Eagles and a three-and-a-half-, game lead over the Redskins in the NFC East with 10 days off before having to begin a three-game road stretch Dec. 6 in Denver. The Cowboys can clinch at least a wild-card playoff spot this Sunday if Tampa Bay beats Green Bay or Phoenix beats Washington.

In the first balf, the Cowboys needed three field goals from rook-ie Lin Elliott (45, 33, 53 yards) to, bold a 9-3 lead at halftime against 3-Giants team being led by rookie quarterback Keni Graham and playing without linebackers Lawrence Taylor and Steve DeOssie and punter Sean Landeta.

The Cowboys offense in the first two and a half quarters consisted of stubbornly running Smith into a swarming defense and dumping offpasses to Smith instead of forcing balls downfield into the double coverage surrounding Pro Bowl re-ceiver Michael Irvin. The Giants basically made two defensive decisions: Blanket both receivers (Irvin and Alvin Harper) and play man coverage on tight end Jay Novacek. And play a wait-and-see scheme on the defensive line, refusing to over-commit on the shifty Smith.

The Cowboys remained patient, thanks to a defense that limited the Giants to 207 yards, and running back Rodney Hampton to just 33.

"When the defense plays like that, it's a lot easier to be patient," said the Cowboys quarterback.
Troy Aikman. "If you get behind"
and teams take away the deep stuff." it's very hard for the quarterback to be patient."

But the Cowboys were not be-hind, thanks to the defense and Elliott extending his club record of consecutive field goals to 12 not to mention the career-long 53-yarder. They were not behind thanks to the Giants' Matt Bahr, who missed two' field goals, and a fumble by wide receiver Ed McCaffrey.

Aikman had remained patient throwing five dump passes to Smith for 15 yards. But on the sixth, from the Giants 26, Smith made Reyna, Thompson miss, and when Irvin, blocked Perry Williams, Smith gave the Cowboys a 16-3 lead with 6:03 left in the third quarter.

Nearly two minutes later, the Cowboys pulled a play out of the distant pass, going away from their straight-ahead blocking scheme and asking guard John Gesek to trap block. Cowboys defensive co-ordinator Norv Turner said be needed to exploit the Giants defen-sive linemen waiting at the line of scrimmage for Smith rather than penetrating.

Block Gesek did. clearing out defensive end Eric Dorsey. Right tackle Eric Williams took out linebacker Carl Banks. And tight end Alfredo Roberts cleared linebackes Peoper Johnson.

No one touched Smith for 68 yards, giving the Cowboys a 23-3 lead with 3:53 remaining in the third quarter.

Nordiques Stop Leafs And Cullen

The Associated Press Owen Nolan ruined John Cullen's coming-out party with the Toronto Maple Leafs. Just over two minutes after Cullen finished keying a three-

NHL HIGHLIGHTS

goal, third-period spurt, No-lan scored his second goal and then added the winner in over-time as the Quebec Nordiques beat the Maple Leafs, 5-4, on Thursday in Toronto.

Toronto acquired Cullen from Hartford for his offensive punch and he almost scored a TKO in his debut wearing the same sweater number (19) that his father wore as a Maple Leaf in the 1950s. Cullen scored twice and

assisted on another goal.

Blues 7, Canacks 5: In St.
Louis, Missouri, Kevin Miller scored twice and Craig Janney as the Blues crupted for five goals in the third period to beat Vancouver.

Janney scored with 4:44 remaining to make the score 6-4 in a wild finish that featured eight goals in the final period. The Canucks came from behind twice in the third period, tying the score at 4, then Ron Sutter scored on a rebound from the slot that sailed over the shoulder of goaltender

Kirk McLean The loss snapped Vancouver's three-game winning

Texas A&M Does the Job Against Texas

AUSTIN, Texas — The No. 4
Texas A&M Aggies have done their
job. Now they are hoping that Miami, Alabama or Florida State

The Aggies capped their unde-feated season Thursday night by beating the archival Texas Long-horns, 34-13, but need losses by two of the three teams ahead of them in the poll for a shot at the national college football championship.

Those burdles are not a pleasant topic of conversation for the Aggies, who have the nation's best

"We deserve to play for the na-tional championship, point blank," said the Aggies running back Greg Hill. "We have nothing else to prove. If we aren't playing for the national championship on New Year's Day, then something is

Right or wrong, the Aggies need either No. 1 Miami or No. 2 Ala-bama — the nation's only other unbeaten, untied teams — to stumble for a shot at the national title. Top-ranked Miami, which plays

San Diego State on Saturday, would play the next highest-ranked ship. That would be No. 2 Alabama, unless it loses the Southeastern Conference championship game on Dec. 5. Since No. 3 Florida State also is

ahead of the Aggies, the Seminoles also have next dibs at the Hurricanes. A&M, the Southwest Conference champions, will be the host team of the Cotton Bowl for the second consecutive year. Hill was one of several offensive

stars in the Aggies' 21st straight regular-season victory as they pounded Texas with a relentless ground game and the improved

ing body.



Aaron Glenn of Texas A&M snared Texas's Mike Adams, who failed to snare a Peter Gardere pass.

passing of freshman quarterback Corey Pullig.

Rodney Thomas rushed for three touchdowns and Hill gained 100 yards on 23 carries, his eighth 100yard performance of the season. Pullig completed 10 of 21 passes for 193 yards, fueling several scoring drives with his passes.

The Aggies have won eight of the last nine games against the Longhorns, but trail 64-30-5 in the series. A&M wrapped up its second straight SWC title last weekend.

Texas (6-5, 4-3) ended its first season under coach John Mackovic, the school's 100th playing foot-ball. The Longhorns needed a vic-

tory over A&M for a berth in the Hancock Bowl on New Year's Eve. Scott Szeredy kicked a 52-yard field goal to start the scoring for Texas in the first quarter, but the Aggies erupted for 17 points in the second on two 6-yard scoring runs by Thomas and a 42-yard field goal by Terry Veneroulias.

U.S. Soccer Invites the Best to a World Cup Dress Rehearsal

New York Times Service

NEW YORK — When soccer officials soon announce the schedule for the ambitious U.S. Cap tournament in June, they for the World Cup, which will be coming to the United States in 1994.

To test security, the national teams of England and Germany, with their sometimes troublesome supporters, have been invited. To test the concept of indoor soccer, the Pontiac Silverdome has been selected as a host site for one match. To test the readiness of the struggling

U.S. national team, three of the best opponents in the world, including Brazil, have been selected. To emphasize the importance of the competition, the participation of the United States in the prestigious South American championship in Ecua-dor, one week after the U.S. Cup ends, has been downgraded to a second priority -

with the blessing of FIFA, soccer's govern-

"The eyes of the world will be on us for the U.S. Cup," said Hank Steinbrecher, executive director of the U.S. Soccer Fed-

The four-team, round-robin tournament will be held at six sites, four of which will also be 1994 World Cup sites: the Silverdome, Soldier Field in Chicago, RFK Stadium in Washington and Foxboro Stadium near Boston. Giants Stadium will be a site for the World Cup, but for the 1993 event, the Yale Bowl in New Haven will be used as a grassy substitute. Officials have been searching for a sixth, smaller stadium for

eration. "This is our chance at a home

Brazil, England and Germany have won total of nine World Cups, and are matched in international soccer stature only by Italy, which played last year in the inaugural U.S. Cup. The Americans were

one midweek afternoon match.

less satisfactory results in international

"Our national team has passed from childhood," Steinbrecher said. "We're an adolescent. At times, we can stand with adults. At other times, we can slip back." One reason for the Americans' disap-pointing 6-14-5 record this year is their continuing lack of depth. Top players are now good enough to participate in Europe, while several others have suffered injuries. Bora Milutinovic, the U.S. coach, has often been forced to field obviously inferior

"I am just glad to have the chance to play these matches," Milutinovic said. "It is better to have these problems now than

There has been great progress from American players overseas. Eric Wynalda, the 23-year-old striker playing for Saar-

Germany's top division, the Bundesliga. and has an enormous following throughout Europe, Paul Dooley is a starting defender for Kaiserslautern in the Bundesliga.

In England, midfielder John Harkes has started 14 matches for Sheffield on Wednesday. Goalkeeper Kasey Keller has yielded just 15 goals in 20 matches for Milwall, in England's second division. Roy Wegerle, a striker, has 3 goals in 10 matches for Blackburn. Tab Ramos, a midfielder, has had a

disappointing season for Betis, in Spain's second division. Hugo Perez, another attacker, had a game-winning assist last week in his second match for Ittihad of Saudi

for seven national matches each year. They and a promotion of the World Cup."

surprise winners, but have since had far brücken, is the second-leading scorer in will field all of these players for the U.S. Cup, but will use younger, untested players a week later in Copa America, the South American championship.

> Copa America is considered the thirdmost prestigious tournament in the world, hehind the World Cup and the European championship. The special invitation to the United States to participate in the tourna-ment was considered an bonor. But because the United States is playing bost to its own tournament, and then playing in its own regional championship, the Gold Cup. in the Confederation of North and Central American and Caribbean Football, FIFA is unconcerned about any perceived slight. "It is better to be outplayed in South

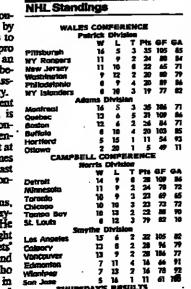
America than on your home turf," said Guido Tognoni, the assistant to the general U.S. officials have the legal right to re-call players from their professional teams quasi-rehearsal for indoor soccer in Detroit

Toon to Retire From NFL Jets

New York Times Service NEW YORK - Al Toon, tronbled for almost three weeks by post-concussion syndrome, was to announce his represent from two football on Friday, ending an eight-year career in which he became the second-leading passcatcher in New York Jets history. The retirement announcement was to come while Toon, 29, is attempting to recover from a concussion sustained in a game in Denver on Nov. 8. Toon, who caught at east one pass in the last 101 games be played, has missed the Jets' last

two games with effects of the con-With 517 career receptions. Toon renks second to Don May-nard's 627 catches on the Jets. He accumulated 6,605 yards in eight seasons to rank third on the Jets' career list behind Maynard and Wesley Walker. Maynard, who played from 1960 to 1972 and is in the Pro Football Hall of Fame, had 11,732 yards. Walker, who played from 1977 to 1989, had 8,306.

SCOREBOARD HOCKEY



1 2 1 1

shelmyski (6), Anderson (7), Culien (7) 2, Shets en geel--Quebec (on Potvin) 8-11-7-1-27. To-ronto (on Hectalli) 5-15-11-0-31. Vascavere St. Louis 9 2 5-7 St. Louis 9 2 5—7 Word (9), Nedwed (12) 2. Adoms 1110, Ferous (2); Wilson (2), Hull (13), Emerson (9), Ron Suffer (2), Janney (7), Miller (4) 2. Stots on good—Voncouver (on Joteph (4-13-12-3), St. Louis (on MocLean) 7-8-13—28.

BASKETBALL College Preseason

FOOTBALL SOCCER TO ...

LIEFA Cup
Third Round, First Leg
Arnhem & Real Madrid 1
FRIENILY INTERNATIONAL

CRICIET SECONO TEST
South Africa vs. India, Second Dov
Friday, in. Johannesburg
South Africa 1st Innings: 292
India 1st Innings: 128-6
FIRST TEST
New Zendand vs. Srl Lanka. First Day
Friday, in Abratuwa, Srl Lanka
New Zendand 1st Innings: 139-4
FIRST TEST
Australia vs. West Indies, First Day
Friday, in Brisbane, Australia
Australia vs. West Indies, First Day
Friday, in Brisbane, Australia
Australia vs. West Indies, First Day SECOND TEST

TENNIS

South Australian Open
Quarter Smale
Sump-ties Pork, South Korso, def. Larissa
Schaerer, Paraquary, 4-1, 4-6-2, Alichaile Jag-gari-Lai (4), Australia, def. Emilia Okagawa.
Japan: 2-4, 6-4, 7-5. Crika de Lone, United
States, def. Kerry-Anne Gues, Australia, 4-2, 4-6-2, Alexandra Fusal 12), Franco, def. Linda
histonarkaverdrief. Netherlands, 5-7, 6-1, 6-1. TRANSACTIONS BASEBALL

American Leasee
SEATTLE—Named Las Ella bench coo BASKETBALL

ESCORTS & GUIDES BELLE EPOCH

MERCEDES

1st LONDON
ECONT AGENCY
CREDIT CARDS ACCIENTED
(0071) 581 0001 International Escorts
Service Available Worldwide
21.2-765-7896 New York, USA
Mojor Credit Cords & Checks Accepte

> ULTIMATE '10' 212-888-1666 NEW YORK ESCORT SERVICE

ESCORTS & GUIDES

Corolina Escori Servica 01/252 61 74 LONDON BRAZILIAN Escort Service 071 724 5597/91 Open 7 days

Except/Guide Service, Telephone Econt/Guice Service, Telephone
(US 3351 - 2278), open everyday
& Evening
GENEYA *ESCORT AGENCY *2UROCH
BASE, *** LAUSANNE *** MCNITERIX
Credit Corte Accepted
GENEYA Te : 022 / 732 6618 TORYO BSCORT SERVICE Major credit cards accepted. Tel: (03) 3/06-4598.

FRANKFURT
Princess Escort Service, 7 days.
Tel: 0161/26 43 075

VIENNA *
Cdy Escort Service.
Tel: 0222/767 26 60.

ESCORTS & GUIDES SCORT SERVICE all over Germany Tek (12161-18365) or 183599

INTERNATIONAL CLASSIFIED

Worldwide Escort & Guide Agency. 1et 1glyp 3588-1590. VIENNA - PARIS - ZURICH Burocombot Int 1 Econt + 1 ravel Service. Call Vienna + 43/1/40/75 4. DURNCH . BASEL . BERN ZURICH * BASEL - Bears
Yvelin Scort Servec
Zurich (1 / 432 87 81 Cords
CREENTAL ESCORT SERVICE
Doys and evenings.
Neose phone 67 1 225 3314 London.
SUSAN ESCORT SERVICE
Zurich: 61/382 95 80
Genevo: 607/17 93 65

GENEVA GEISHA ESCORT Service.
Major cradit cards accepted 7 days.
1-bt 07 / 91 00 50.
MAHARALAH London Escort
Services, chip Cornibbon.
1-bt 071 385 3070.
PRIME TIME ESCORT SERVICE
In Manhotican Doys/Feetings
211-279-8522 USA. LOS ANGELS - GABBY INIT. Ecori & Guide Service. By opportunent only. Beverly Hills (310) 281-1225. AMSTERDAM BERNADETTE Ecory Service Secont Service. Tel. 631 63 36 or 631 06 43

(Continued From Page 20) **ESCORTS & GUIDES** ini 5 5cort Agency. Call 01714104597. **GENEYA*ROYAL*PARIS*** ESCORT SERVICE & TRAVEL *OPEN 7 DAYS, 1et 022/349 56 87* FRANKFURT & ARRA Mora's New Int'l Econ Agency. Mease Call 069 - 597 66'06. Daily.

ESCORTS & GUIDES "GENEVA & PARIS CONNECTION"
" PRESTIGE INTL ESCORT SERVICE "
GENEVA 1et, 1022 321 99 11
IONEON"EMMANUELLE "French
"Swedth"Holon excort service credit carch, 071 373 6996 8 10831 530892
AU UN 1 C H " W E L C O M R
ESCORT A GUIDE AGENCY,
PLEASE CALL 089 91 73 14; Tek 0/1 7/2 0881.

F.R.A. N. K.F. U.R.T. - "TOP TEN"
ESCORT SEWICE. TEL. 069 - 55 88 26.

DAILY FROM 2pm.

TIALY PARES COTE D'AZUR
Franch Briver Scort Agency.

Det (In/1) + 39 184 348 07

TO OUR READERS IN BERLIN

You can now receive the IHT hand delivered to your home or office every morning on the day of publication, Just call us tall free at 0130 84 85 85

pone

DAVE BARRY

Synergistic Sandwich

IAMI — Today at the Instiute of Military Food ConJim!" said Robert. "It's a Slim cepts we present the results of our taste test of a new sandwich developed by U. S. Army food engineers

for internal use by troops. This sandwich was brought to our attention by retired army Sergeant Major Willard Clark, who sent in a newspaper article reporting that the army is developing a new sandwich representing "a breakthrough in the state-of-the-art technology for inter-mediate moisture foods." The article quotes the army as stating that this sandwich features "shelf-stable fermented meats" mixed into "a synergistic anti-oxidant system" offering "greatly enhanced lipid stability." These, of course, are precisely

the food qualities that knowledge able connoisseurs look for when they dine in the finest French res-CONNOISSEUR: Garçon, is the

lipid stability of your fermented meats enhanced by a synergistic anti-oxidant system? WAITER: Vous êtes darned touting! ("But of course!")

So we called the Army Food Engineering Directorate and asked if we could have one of the new sandwiches for testing purposes. We were told this would require higher-level approval. The military cannot afford to have a state-of-the-art assault sandwich falling into the Wrong Hands.

We don't know how far up the chain of command our request went ("It could be a trick, Mr. President!"). But evidently we checked ont O. K., because several months later the army sent us a dark-olivegreen sealed foil package labeled: "Shelf Stable Sandwich Flavor:

Peppercorn." Accompanying the package was an Information Paper from the army's Advanced Food Branch. It states that, in the construction of the sandwich, meats are "formed into cylinders and are encapsulated in the bread to give the appearance of a Torpedo' roll with a meat center,"

Our Official Taste Test Panel consisted of ourself: our wife, Beth: our son, Robert; and our primary and auxiliary dogs, Earnest and Zippy. We unwrapped the Shelf Stable Sandwich, which looks sort of like a flattened hot dog, with the meat totally enclosed in the bread. We each took a bite.

Of course this is not true. It is a high-tech, intermediate-moisture, eat-out-of-hand food component with enhanced lipid stability and an edible protein film barrier to prevent oil migration. It only TASTES like a Slim Jim. But this is a major improvement over the army's current standard for combat food, which is the "Meal Ready to Eat," or MRE. For purposes of comparison, our panel also tastetested an MRE, which was mailed to us a year ago by alert readers Gregg and Chris Schauermann. who undoubtedly obtained it in a totally legitimate manner.

The MRE is a triumph of food technology, meeting or exceeding every significant outritional, logistical, hygienic and longevity standard. Its only drawback is that nobody wants to eat it. Military analysts believe that a major reason why the allies won the gulf war so quickly is that U. S. troops wanted to stop being fed what appeared to be mislabeled construction materi-

Our MRE came in a mud-brown plastic bag. Inside were a number of equally attractive packets, in-cluding one labeled "Beef Stew." We opened this packet, and out oozed our entries. If the government wants to eliminate the budget defi-cit, all it has to do is relabel these MREs and market them to preadolescent children under the name

"Big Brown Bag o' Barf."
"How come it's so ORANGE?" asked Beth. She poked around in it a bit with a fork, "Look!" she said, at last, bolding up what appeared to be a rodent organ. "I have something here that might be related to

The bumans on our panel thought the stew tasted every bit as good as it looked. The dogs loved it. but they have been known to eat pizza-delivery boxes.

Our conclusion is that the oew army sandwich definitely tastes better than the MRE. Of course, so does ceiling tile. But still, it's a stride forward, and we wish the army well with it, and many other military food concepts in the future. All we ask - and we say this as patriots as well as human beings - is that these concepts NOT in-

Knight-Ridder Newspapers

Neil Young: One of Rock's Longest Shows

By Karen Schoemer New York Times Service

NEW YORK — Neil Young and the Carnegie Deli are two things that probably haven't changed much since the '60s. The deli still has framed 8-by-10-inch celebrity glossies, tables full of tourists and a pastrami sandwich taller than the span of the average human

Young still has hair the consistency and managability of reddish-brown straw, and a face that seems carved out of a mountainside. He still dresses in flannel shirts and jeans, and he still flashes a peace sign every now and then. On an autumn evening, Young is sitting at a back corner table in the Carnegie Deli, on Seventh Avenue at 55th

Street. He's in town on business -a new album, "Harvest Moon," has just been released by Reprise. He has just ordered an egg cream. "I live out in the country, so coming to the city is like a vacation to me," he says. "Like getting away from it all." For 20 years, Young has had a ranch in Northern California; for more than 20 years, he's been eating at the Carnegie Deli on his New York visits. "I used to come here back in the '60s with the

Buffalo Springfield," he says. "We'd come here at night,

after gigs, in the morning, whenever."
At 47, after 25 years in the music business, Young is still, in the words of one song from "Harvest Moon," "doin' what I do": writing songs, playing guitar, singing in that strange, high-pitched voice of his. He's one of the

longest-running shows in rock 'n' roll.

Some members of his generation, like Eric Clapton, manage to keep their image smart and contemporary; others, like Bob Dylan, have larely seemed to wither. Young's persona, on the other hand, is defined, at least in part, by his consistency, and his resistance to whims of fashion. His career doesn't move forward linearly, but rather in cycles, sometimes in sync with pop trends and

sometimes completely out of sync.
Young's status as a rock icon can't be pinned on a single period of his history. And that history is long and com-plex. From 1966 to 1968 he was a member of Buffalo Springfield, a band that broke ground for the late-'60s popularity of country-rock; in 1969, he began releasing solo albums, and from 1969 until the mid-70s he was, part time, also a member of Crosby, Stills, Nash and Young,

one of the first rock supergroups.

Some of Young's most memorable work comes from this period: albums like "After the Goldrush" and CSNY's "Dejà Vu," songs like "Sugar Mountain," "Cinnamon Girl" and "Down by the River."

Yet today, if Crosby, Stills and Nash is an oldies act,

Young is more vital than ever. In 1979 the live album "Rust Never Sleeps," recorded with the band Crazy
Horse, acknowledged the rise and (all of punk rock in the
song "My My, Hey Hey (Out of the Blue)," with references to Johnny Rotten of the Sex Pistols. After a difficult period in the '80s, when he made a series of records using different musical styles, he came back in 1989 with the album "Freedom." Its single, "Rockin' in the Free World." was adopted, only half-ironically, by the cynical alternative-rock generation; that same year, cutting-edge bands like Sonic Youth, Dinosaur Jr. and the Pixies contributed to the compilation album "The Bridge: A

Tribute to Neil Young."

The "Freedom" album marked the end and beginning of a new cycle, "I just came out of it," he says. "Surfaced.



It's like trying to get to the top of the water, so you can come into the air. Finally 1 broke through."

The next year, Young's raging album, "Ragged Glory," and the ensuing live "Weld" — both recorded with Crazy Horse — practically predicted the explosion of grunge rock with their distorted, guitar-driven sound. His performance at the Bob Dylan tribute concert at Madison Square Garden on Oct. 16, 1990, was lauded by critics as one of the high points of the event.

More than any other rocker of his generation. Young has an audience that crosses the boundaries of age and cultural experience. "It sounds like a clicke, but he's the only one I can think of who really hasn't sold out," says Kim Gordon of Sonic Youth, which opened for Young on the "Ragged Chory' tour. "His voice sounds the same. He hasn't really changed his sound. He hasn't tried to update it."

With "Harvest Moon," his 27th solo album, Young has completed another cycle. Gentle, folky and acoustic, "Harvest Moon" is a kind of sequel to Young's 1972 album "Harvest," which contains his only No. 1 single to date ("Heart of Gold") and remains one of his best-selling

In making "Harvest Moon," Young used the san group of musicians, the Stray Gators, that played on "Harvest", James Taylor and Linda Ronstadt, who sang backup on "Heart of Gold," added harmony vocals to a new song "From Hank to Hendrix."

52 Ma tante's

ACROSS

film: 1979

Symbols of

style

Throughout the new album there is a sense of time pessed, of reassessment and rejuvenation. "If there's a message to the whole thing, it's continuance," Young says. "It's about keeping things new and staying fresh. Not just getting into a mold and doing the same things over and over again, but really trying to discover and feel them for the first time. There's a lot of referring to the past, and trying to keep the spark happening, or even more of a spark. Doing things so much that you get better, because of the experience."

Young's current stature is a testament to his experience. Born in Toronto in 1945 and raised in Toronto and Winnipeg, he never finished high school.

"I was a dropout," he says without pride. In the mid-'60s, after working the Toronto folk chibs, he drove to Los Angeles in his Pontiae hearse, searching for a life in music. "When I was young, I think I was hind of unsettled," he says. "Moving around a lot. Kind of hopped up. Not on drugs, but kind of amped out. A little out of control. And too open. Wide open."

By 1967, his first Los Angeles band, Buffalo Spring-eld, was already a success. I was just driven to do what l do," he says. "Just complete raw energy focused at this one goal of playing music and making music, making records. I was already doing that when I was 22, so that goal didn't mean much. I'd already attrined that. Then I tried to refine what I was about, and make decisions about how to best go along doing it."

Young's albums, beginning with his solo debut, "Neil orng," in 1969, illustrate this process of refining. Throughout the '60s and '70s, his records veered back and forth between the blistered electricity of Crazy Horse and a quieter, rootsy approach, from the near-metal thrust of "Cinnamon Girl" to the aching acoustics of "Harvest."

In the '80s, though, he seemed to throw his career up in the air and embark on a bizarre series of tangents. "Trans," released in '83, was a weirdly technological effort on which he fed his voice through a computer, "Every-body's Rockin," also released in '83, was straight-ahead rockabilly, complete with a pompadoured Young on the cover. He tried out sentimental country on "Old Ways" is 85, and blustery rhythm-and-blues on "This Note's for

A few years before the detour began, Young's wife, Pegi, whom he'd married in 1978, had given birth to a son, Ben, who had cerebral palsy. Young's first son, Zeke, born in 1972 to a different mother, also has cerebral palsy.

In a 1989 Village Voice article, Young connected the inaccessibility of his '80s records with his frustration at not being able to communicate with Ben, whom he and Pegi were raising." 'Trans' signified the end of one sound and era and the beginning of another era, where I was indexisherable and to one could understand what I was indecipherable and no one could understand what I was saying." he says now. "That whole era, there's always something wrong. There's always something between me and what I'm trying to say. The invisible shield."

Yet, he adds: "The more distance I get from the 80s, the more sense the '80s make. I knew what I was doing when I put those records out, and I knew what the reaction would be. I knew what people wanted from me and what they weren't getting. But still I knew that time would go by, and then people would see them like a group of records, almost like a period, if they were paintings. And now, there they are. They're becoming more clear all the time."

It's a Boy for Stéphanie, Palace Tight-Lipped

Princess Stiphanie gave birth to a boy and both are "doing well," the Monaco press office said, not-ing there would be no official communique from the palace and that the child was named Louis. So whether Stephanie, 27, will marry Louis's father, Daniel Ducreet, remains a matter of speculation. Ducruet, Stephanie's former bodyguard, accompanied her to the Princess Grace Hospital in Monaco, where the children of her older sister, Princess Caroline, were born. The baby weighed 3.1 kilograms (6.8 pounds).

Yoko Ono and her Hungarian-born husband, Samuel Havadoy, opened an art gallery in Budapest with an exhibition by the American artist Keith Haring warning about AIDS. Haring died of the disease. The widow of the former Beatle, John Lenner, Yoko Ono wili show her own works beginning in Febru-

Joe R. Dunean sold his South-fock Ranch in 1984, four years after the TV soap opera "Dallas" had become a hit, and says he will not let Time Warner buffalo him now because he is selling such things as Larry Hagman dollar bills and J. R. Ewing beer. Time Warner Entertainment Co. is suing, and he has answer to their complaint: "Hogwash, We're licensed on the products They" have to call your large. ucts. They'll have to call my law-yer." Time Warner says it owns the show trademark and has asked a judge to stop Duncan from selling the products near the ranch.

Roll That Gershwin: Artis Wodehouse, a George Gershwin scholar, now has enough rare old player piano rolls of Gerswhin's arrangements to start getting them produced on a compact disc. The rolls are among Gershwin's earliest musical creations, dating from be-tween 1915 and 1926, and are among his most obscure, she said. He did about 130 rolls, and 65 compact disc. Wodehouse collected them from around the world.

International Classified Appears on Pages 20 &25

O New York Times, edited by Eugene Malesko

Bomb- i

Russia

Harri Lang

A COLOR THAN

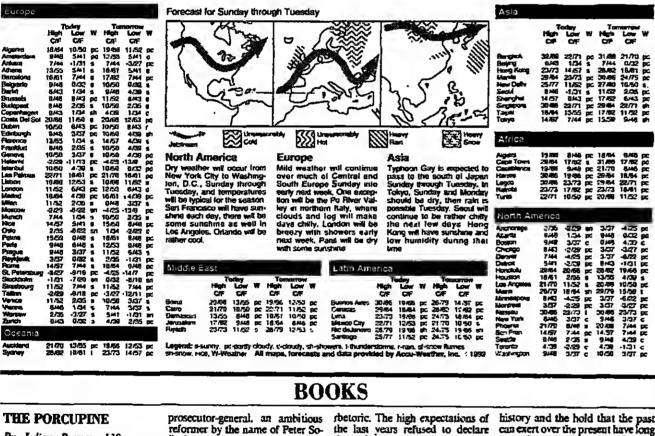
ರ್ಷ-ಬಂದಿಗಳ

THE REPORT OF THE

the and

mier.

WEATHER



By Julian Barnes. 138 pages. \$17. Alfred A. Knopf. Reviewed by

Michiko Kakutani T ULIAN BARNES'S new politi-

J cal oovel, "The Porcupine" (which perhaps takes its title from a remark once made by Nikita S. Khrushchev: "If you start throwing bedgehogs under me. I shall throw a couple of porcupines under you") takes place in a fictional Eastern European country shortly after the collapse of the Soviet Union.
The country's longtime Commu

nist president, a vulgar, hard-line has been deposed and is oow on trial for crimes against his nation. His archrival is the country's new

As Barnes tells it, change has come cautiously to this fictional country, beginning with a small protest that grew into a local movement and then a Green party whose

ranks soon swelled beyond expec-By the time the country's Central Committee realized the danger posed by this new democratic movement, "it was too late then for "too late to avoid the elections forced upon the socialist countries by Gorbachev."

There had been a revolution, of that there was no doubt," Barnes writes. "but the word was oever used, not even in a qualified form, preceded by Velvet or Gentle. This country had the fullest sense of history, but also a great wariness of

themselves in tall words. So instead of revolution, people here spoke only of the Changes, and history was now divided into three quies parts: before the Changes, during the Changes, after the Changes, Look what had happened throughout history: reformation, counterreformation, revolution, counterrevolution, fascism, aoti-fascism, communism, anti-communism. Great movements, as by some law of physics, seemed to provoke an equal and opposite force. So people talked cautiously of the changes. and this slight evasion made them feel a little safer: it was difficult to imagine something called the

ity might be avoidable too."

Of course the cyclic nature of

been favorite themes for Barnes who explored them at length in his recent novel "A History of the World in 10% Chapters," and the citizens of the imaginary country depicted in "The Porcupine" discover only too quickly that their dreams of freedom and rebirth are more elusive than they'd boned Barnes relates this compelling story with his usual narrative brio. The moral he draws from his story is a pessimistic one: less pessimistic specifically about the remarkable changes that have overtaken Eastern Europe in the last few years, than pessimistic in general about power, politics and the moral tilt of Counter-Changes or the Anti-

Michiko Kakutani is on the staff of The New York Times.

"Casablanca" AT 50 By Charles E. Gersch



Make fun of 3 Those quote) 88 Pineapples 49 Movie-theater 4 Most August

87 -- the usual



15 Key watched

5 Units of force 9 Warning so from Fido of the reed 12 Musical mixtu 13 Govt. group

31 Vessel of the 33 Actor McKeller as he was 38 Funeral oration 40 Loosen a strap 43 Sphere prece

(important)

51 Alger hero's train 26 FERRARI 52 Fraternity letters 53 CAPT. LOUIS. Stewart film 64 Redford is one

maritime go. 98 Cake topping 48 Mint drink 75 Adhered 77 It was: Lat. 50 Supermarke

90 Sent along

91 Airfoil

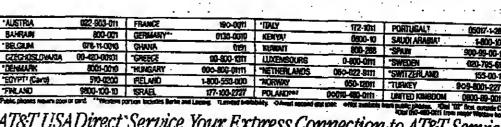
107 People general - of Venus 1940's musical 04 "Lil Abner" role 89 Tooth

110 Serpico auth 112 G.t. s hangout 115 Adi forsome 116 Bikini part 117 Explosive

119 Asian holiday

Now good news can travel even faster.





AT&T USADirect Service. Your Express Connection to AT&T Service. Just dial the access number of the country you're in. For additional access numbers, call collect: 412 553-7458, Ext. 606.

